SiteSell.com

An e-Biz in Every Closet...

Make Your Net Auction Sell!

The Masters Course

by Sydney Johnston

MAKE YOUR NET AUCTION SELL!

How To Succeed At The Net Auction Game

by Sydney Johnston

Wouldn't it be fun if you could

make money by pursuing ideas that excite you?

WIth a Net auction business, you can!

At your own speed.

From your own home.

Even while you sleep.

Big-ticket items, low-cost items,

high-volume, low-volume, whatever,

with **no up-front cost**.

In virtually any subject you want.

Now, that sounds like **fun!**

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To those **explorers** and **adventurers**

who master the rich

opportunities of the electronic frontier.

Foreword

By Ken Evoy, M.D.
President, SiteSell Inc.

For a small business owner or entrepreneur, an auction business is the perfect introduction to e-commerce. Start-up investment is minimal and there is virtually no risk involved -- if you want, you can start by selling what's stored in your closet! Net auctioneering is also wide open to experimentation. You don't need to be an expert when you begin. What could be easier or better?

So pursue your passion and discover your own special niche... in any category you want. It's **your** choice. **Make Your Net Auction Sell! (MYNAS!)** provides everything you need to build a profitable Net auction business, the business of your dreams. **Sydney Johnston** (of **AuctionKnowHow.com** fame) shares her extensive knowledge, experience and expertise in this excellent resource book, reducing your learning curve to almost a flat line.

Why then am I giving away an e-book of such high quality? Good question!

I feel strongly that A-N-Y-O-N-E, regardless of who they are, where they live, what they do, can be empowered to use the Internet to leverage their income-building potential -- whether it is to build an e-business, grow an existing offline business, or create a secondary income stream. You just need the right information and the right tools, at an affordable price, to succeed. I call it "e-commerce for the rest of us."

Our flagship product, **Site Build It! (SBI!)** puts that philosophy into action. It provides the small business person with the ability to do something that would be otherwise out of reach -- grow a business and leverage the Net into multiple streams of revenue. **SBI!** is a one-of-a-kind Web-site-building, site-hosting and e-marketing solution that delivers **real traffic and guaranteed results** (i.e., it works!)…

http://results.sitesell.com/

And this brings me back to why I am offering **MYNAS!** at no charge. Sydney provides you with all the necessary information you need to get your auction business up and running. She leaves "no auction stone unturned."

But why stop there with your business? The Internet has incredible opportunities waiting to be grabbed! Take that solid auction business foundation that Sydney will help you develop and push your e-commerce venture to a higher level of profitability with **Site Build It!.**

Build a traffic-generating, income-producing Web site where…

• You own your traffic (if you don't own your traffic, you don't own your business)

• You are not dependent on any one source of income (diversification reduces risk and increases Conversion Rates -- i.e., "visitors" become "customers")

• Your business has equity (one that you can sell later, if you wish).

The **SBI!** system provides all the tools and hands-on guidance needed to create and market a professional-looking, popular and profitable Web site, regardless of your Net experience. Its integrated technology is behind the scenes so you just use **SBI!** and succeed. After all, you don't need to know the inner workings of a telephone in order to make a phone call!

You simply focus on the proven **SBI! process,** step by step, to build income…

1) Identify a profitable niche that you know and love (**SBI! Manager** identifies profitable keywords at the click of a finger!).

2) Fill your site with high-value content that answers questions or provides solutions for your visitors. (Most surfers are searching the Net for information not necessarily for specific products or services.)

3) Use that content to attract your own niche-targeted traffic. (**SBI!** automatically works **with** Search Engines so that your site is easy to find.)

4) Build a trusting and loyal following through e-zine. (Yes, you can easily publish and manage an e-zine, HTML or text format, with **Site Build It!**).

5) Use your e-zine and site content to PREsell your targeted visitors. And finally...

6) Convert that PREsold, warm, willing-to-buy traffic into multiple streams of income (for example, selling auction items related to your theme, selling your own product/service off your site, representing another merchant's products, lead-generation, etc.) Diversification increases your chances for a sale/commission and gives your online business stability.

Here's my take-home lesson before you get started with **MYNAS!**…

With **SBI!,** you can put eBay (and its huge, ready-made traffic) to work for you… **and** you can take full advantage of the Net's income-producing potential… all at an affordable cost, with **guaranteed results!**

http://auctions.sitesell.com/

1. How to Use This E-Book

1) Internal Links

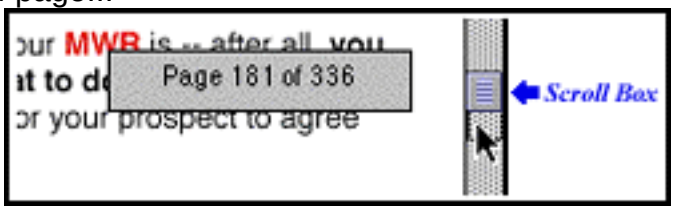
You know how sometimes you read something in a book, and you say, “Now where the heck did I read about that?”

This book has **internal links...** links that take you from one part of the book to a related section. So you can easily find and reread a topic. These links appear as **blue-underlined.**

2) Navigation Features

Here’s how to move around the book...

• **Scroll Bar** -- click on the Scroll Box in the Scroll Bar and drag it **down** or **up** to rapidly move forward or backward through the book. You will see the page number appear when you click on the box. Release it when you get to the desired page...



Clicking just **below** or **above** the Scroll Box will **advance** or **reverse** a part-of-a-page at a time.

Clicking on the Scroll **Arrows** (at the bottom or top of of the Scroll Bar, **not** shown in illustration) will **advance** or **reverse** the page by a single **line** at a time... holding an Arrow down will scroll the page continuously.

• **Arrow Keys** -- Pressing the “m” or “i” cursor key **on your keyboard** will behave differently, depending on your Operating System and on which version of Acrobat Reader that you have. Try it and see what happens in your case.

• **“Back Buttons”** -- The entire left and right margins of every page are giant, invisible **“Back buttons.”** Click in either margin to **trace back** to the previous page you were on, even if you were in a different file. Click again to trace another page back.

When you click in a margin, it turns black, and when you release the click, off you go! Here’s what it looks like...

This feature is especially useful after linking to another part of the book. Once you read that material, **you'll likely want to return to your point of origin.** Clicking in either margin sends you straight back, so you can pick up where you left off.

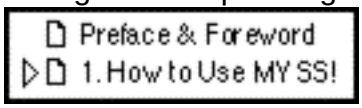
• **Bookmarks** -- This is useful for those with larger monitors. If you have a smaller monitor, you will likely find that it chews up too much "monitor real estate."

If you are using...

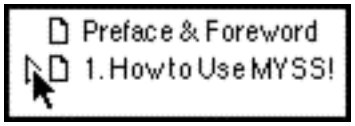
• Acrobat Reader **v.4...** Under the **Window** menu, choose **Show Bookmarks.**

• Acrobat Reader **v.3...** Under the **View** menu, select **Bookmarks and Page.**

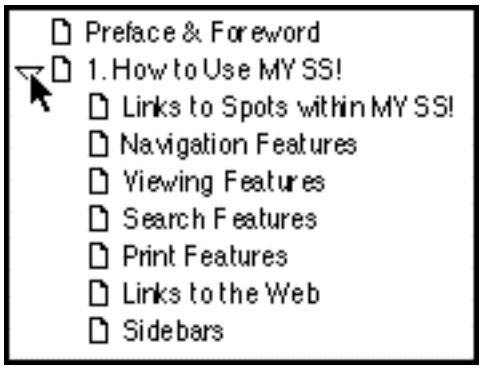
A set of bookmarks will appear in the left margin. Here's what the bookmarks (for the first two chapters of our first book, **MYSS!**) look like (exact appearance varies depending on the operating system and version)...



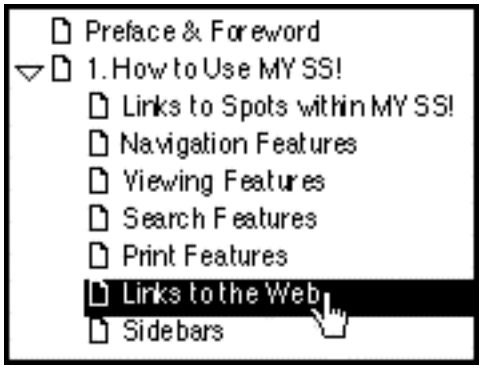
The triangle (or "**+**" sign in some versions) to the left of "1. How to Use MYSS!" means that there are "sub-bookmarks." Move your cursor **over the triangle,** like this...



Then **click on the triangle** to expand the bookmarks under that chapter. Click again to shrink them all back down, then again to expand them...



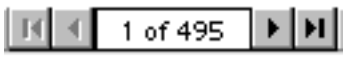
Now... here's the whole point of bookmarks. Move your cursor over one of the actual bookmarks until it turns into a "hand with pointing finger," then click...



You'll immediately **leap** to the beginning of that section.

• **Straight Page Jumps** -- At the bottom of your Acrobat screen, you will see something that looks like this...

or like this...



The appearance and exact mode of use **varies** depending on your OS and version. But no matter -- this is a simple, useful method to move around. Experiment with it for a few minutes to understand how best to use your version.

3) Viewing Features

Click here to open a preference window.

Set the **sharpness.** Would you like the text to appear **smooth** like this?...

Your Web site either makes the sale, or it doesn't.

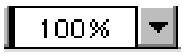
... or **sharp** like this?...

If you prefer the smooth look, **check** the box beside **"Smooth Text and Images."** Otherwise, leave it **unchecked...**

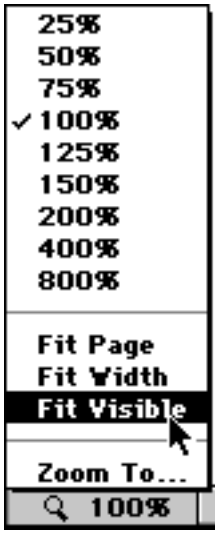
At the **bottom** of your Acrobat Reader window, set **magnification** and **page display layout...**

• **Magnification** -- Generally, the best magnification is **100%.** But if you want to adjust this, the control looks like this...

or like this...



Click on the button and here's what snaps up...



... Enter or select the magnification that you prefer.

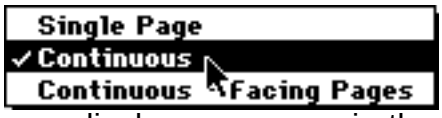
If you have a small monitor (15-17")...
To make the words as large as possible, maximize the window so that it takes up **the whole monitor screen.** Then click and choose **"Fit Visible"** (as shown above). Experiment with different settings.

If you have a large monitor (19" or greater)...
Maximize the window so that it takes up **the whole monitor screen.** Then click and choose **"Fit Page."** This fits one entire page into the vertical dimension of the window (convenient for reading). Experiment with different settings and window sizes, as well as page display layouts (next)...

• **Page Display Layout** -- Just to the **right** of the magnification setting, **you'll see...**

or this...

If you click on it, you can choose between the following page layout options...



Single page -- displays one page in the document at a time.

Continuous -- arranges the pages in a continuous vertical column for easy scrolling.

Continuous -- **Facing Pages** -- arranges the pages to appear side by side. This is only a good choice if you have a **gigantic** monitor.

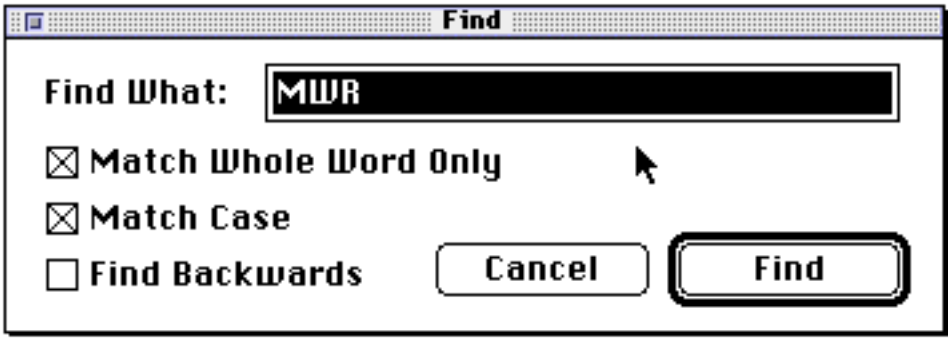
Single Page layout

Continuous layout

Continuous-Facing Pages layout

4) Search Features

To find a word, hit either **Control-f** (Windows) or **Command-f** (Mac) to bring up the Acrobat Find window...



In the example above, you are searching for **MWR,** (abbreviation for **Most Wanted Response**). Since you are looking for exactly **MWR,** you click "Match Whole Word Only" -- if you wanted to catch any word with **MWR** in it (ex., **MWRs**), you would not click this box. Because **MWR** is abbreviated with capital letters, you ask it to "Match Case." If you'd like to find the next occurrence of **MWR,** just hit either **Control-g** (Windows) or **Command-g** (Mac).

5) Links to the Web

Links to the Web appear like this... **http://buildit.sitesell.com/**

To hyperlink to the URL, open a connection to the Internet. Then click anywhere on the **blue URL** to go there. But first set your browser. **Click to open this preference window** -- then...

• Click **Browse** (for Windows users) or **Select** (Mac users). In the window that pops up, **find your browser, select it,** and click **Open.**

• See **"Connection type"? "Standard"** is fine if your browser is not offered as a choice. And ignore the other settings -- the default selections are OK.

• **Then click OK.**

6) Sidebars

A sidebar is a side note that relates to the main discussion, but which breaks the flow of the main thought. So I "tuck it away" to help the flow. It appears like this...

A sidebar is a side note that relates to the main discussion, but which breaks the flow of the main thought. So I "tuck it away" to help the flow. It appears like this...

2. Introduction

Like so many others, I stumbled into the Net auction business by accident. I had heard about them and decided to see what all of the hullabaloo was about. So I bought a couple of things and had a marvelous time. Even at that point, I could see the profit potential of Net auctions.

Searching for this information myself, I discovered only two kinds of material were available…

1) Read and Guess... You can find a few quite good auction books on **eBay.** Unfortunately, they don't tell you exactly how to make money. There is a lot of talk that goes, "Get some merchandise to sell, and then..." Isn't that the problem?

What merchandise? Where do I get it? What kind should I get? Do I buy it and hope, or can I know in advance that it will sell? What do I charge? The list of questions goes on and on. And the answers get harder and harder to find.

2) Get-Rich-Overnight... There is the ever-floating foolishness that "guarantees that within two weeks you will be making $50,000 a month with your auction business." There are CDs that promise to give you a list of 1,000,000 places to buy merchandise. However, when you call or write to their sources, they're all out of business. Neither type of material is **productive** -- unless you are cultivating frustration.

A favorite marketing word is "secret" -- a neuron-charging word that tingles your brain. Suddenly, a picture pops into your mind of someone **whispering in your ear…**

… "I know a secret and I will share it with you if you pay me a whole lot of money."

Guess what? **There aren't any secrets in Net auctions.**

Of course, like anything in life, you must **master** the basics and **understand** what you are doing. This is true if you are picking up trash or creating secret weapons for the Pentagon. No successful business, online or offline, happens by accident.

This book will provide you with usable and do-able information and ideas. You get everything you need to know to carry out successful auctions, **how to…**

- write powerful ads and listings
- figure out your costs so that you sell at a profit
- master record keeping
- arrange shipping and handling
- accept payment
- build traffic

You also get information regarding…

- suppliers and auction sites
- money-making ideas
- how to avoid mistakes that cut into your profits
- studies of successful sellers that are making huge sums of money

Bottom line?

I can promise you that you have the information to do whatever you want with auctions. Keep in mind that **this is an art, not a science.** And isn't that for the best? By developing our own skills and abilities, we become the kind of wealthy and successful people we all want to be. Knowledge is only **potential** power -- without action, it is useless.

So if you want to become a master of the auction game, get in there and **experiment.** You will learn, make new friends, earn some money, create some messes, waste some money, learn value, have a great time playing the game, make ever-larger sums of money and increase your freedom.

Even better news. An auction business is easy compared to other kinds of businesses. I have worked for other people for years, taken orders and toed the line. As an entrepreneur, I have made money at real estate, information selling, mail order, multi-level marketing -- all the standard stuff. I can tell you definitely, positively, that Internet auctions are easier than any of those.

This doesn't mean that money just falls into your hands because it doesn't. But it does mean that you don't take orders from others. **You** make the decisions. And... you don't have to go looking for your customers because they're already waiting for you. What could be better?

What is it like to play the auction game? It is exciting, challenging, frustrating, fascinating, nerve-wracking, rewarding, and on and on. But it is never boring. I love this business and I hope that you will, too.

It's an e-commerce party, a celebration, **a happening...** and you're invited to join the rest of us on the **road to online success!**

3. The Entrepreneur's Dream!

To call an Internet auction an "Entrepreneur's Dream" isn't poetic license or part of the get-rich-quick rhetoric. Net auctions are the simplest way on this planet for the "little guy" to make money...

1) Targeted customers are at your doorstep -- With an Internet auction, your customers are already there and they come to you! We don't have to look for customers because the auctions sites have already created a name for themselves, and they continue to attract millions of customers. But more importantly, they are **targeted** customers. Customers seeking tennis equipment won't be looking at the coins you have for sale. And isn't that the way you want it? Why waste time on customers who will never buy?

In this book, I refer to eBay more often than any other site. **eBay is the...**

... Queen of the sites. This is the company that started the auction frenzy, the one that others copy. eBay has more categories and registered users than any other site. Their information is more comprehensive and their services are broader than anyone else's. However, eBay is not the only royalty in the kingdom. As you will see later on, another site might prove to be more appropriate for your merchandise.

2) There are no start-up costs -- Can you name any other business that has no start up costs? For example, "Entrepreneur" magazine claims that the average franchise costs $70,000! And when you buy your franchise, what do you get with it? Employees, rent, government regulations, incredible paperwork, the constant threat of lawsuits, grinding responsibility and twelve hour days... phew!

With a Net auction business, you have none of those expenses. All you have to do is register for free and you are now the proud owner of an auction business. What a contrast!

3) There is no financial risk -- Your maximum risk is **$3.30.** That's the maximum charge on eBay to list an item for sale. In the event that your item doesn't sell, that's all you lose. On many of the sites, there is no charge at all.

It is wise to begin with merchandise that you already own (or go rob Mom or Grandma's attic). No merchandise costs. The only exception is when you are selling a car or house. I don't recommend that anyone begin their business that way but even if you do, your maximum risk is **$50.** There is a flat charge

from eBay of $50 to list a property, with no further fees if it sells. If you wish to sell a vehicle, there is a **$25** listing charge and another **$25** charge if it sells.

4) You can start-up in 5 minutes -- Just fill out a **registration form** at the auction site of your choice, and you can begin selling.

5) All you need is an Internet connection -- With other kinds of small or home businessess, you must spend money on advertising. And ads are not cheap. If we think about advertising a product or service on TV or radio, costs escalate dramatically. Contrast that scenario with this one -- the price of an Internet connection of $15 – $25 a month whether you are dealing with 5,000 or 5,000,000 customers!

6) You are open for business 24/7 -- The Internet is the only place in the world where a small business can be open 24 hours a day, seven days a week. There are large numbers of people who shop when the rest of the world is sleeping. If we are available to these folks, our sales will be much higher. Why? Market researchers tell us that a large percentage of the merchandise that is bought is an impulse buy. If your items are available at your customer's convenience, rather than yours, your profits will soar.

7) You can sell to the entire planet -- If you are selling in your home town, your buyers are limited to those people in your geographical area. With the Internet, the **world** is your customer. The typical merchant can expose his wares to more customers on an Internet auction than would see his products in decades in his home town. As The founder of eBay began the site because his girl friend collected Pez holders, and couldn't find several that she was seeking. He reasoned that with a larger audience, she could find a greater selection. (I guess there weren't too many Pez fanatics in her neighborhood.)

8) Auction sellers can live wherever they please -- In common with many other Internet businesses, geography has become irrelevant. For centuries, humans have had to live in cities if they wanted to engage in commerce at an expanded level. With auctions, you can live anywhere you please, as long as you have electricity. In fact, with laptops we don't even need to be home. Want to run your auction business in a Winnebago, on safari, or cruising the Mediterranean? No problem. Wireless access and pager services are available. You can follow your auctions any time, anywhere.

9) You can make money without leaving home -- We never have to leave our homes to make as much money as we want. This has to improve family life in a significant way... want to go to the kids' Little League games? Have lunch with your spouse several times a week? Work at 3:00 A.M.

because you are a total night owl? Or perhaps you are a shut-in, disabled or taking care of aging parents. Doesn't matter. You can participate in Net auctions without any restrictions.

10) Your computer is the only employee you need -- The computer gives you tremendous power and freedom. Unlike the giant companies, our employee doesn't need a vacation. It takes no sick leave, and has no family emergencies. In other words, you have a 24 hour, seven-days-a-week loyal servant at your beck and call.

There are a lot of ads in opportunity magazines claiming that you don't even need a computer to make money on the Internet. Well... maybe. But if you are **serious** about making money on the Internet, you truly need your own computer. Going to the library, or paying Kinko's $12 an hour, is a very short-term solution.

11) You can choose to be part time or full time -- Starting a business and getting it going is a full-time job, and then some, unless you choose to be an auction player. Because the Internet will carry on your business without you, you can keep your full-time job until you are ready to quit -- if ever. Some folks choose to remain at a part-time level. This removes the terrifying risk of having to give up the economic security of a job until you are well-established.

12) You can do your market research in advance -- Forget about guessing, hoping, praying, lying awake at night, staring at the ceiling and wondering if you are doing the right thing. With this business, it is possible to do your market research in advance and have a very clear picture of how well your product will sell before you even auction it.

13) Auctions are simple to learn -- Net auctions have a mercifully short learning curve. Notice that I didn't say **"no"** learning curve. But rest assured that it doesn't take long to begin playing like a champion. Net auctions are not like brain surgery, law school or quantum physics. To become a superior auction seller, it just takes some **observation, attention and time.**

14) There are no feelings of rejection -- Some people would rather be boiled in oil than try to sell anything because they are afraid of rejection. That will never happen on an Internet auction. The worst result is disappointment that your item didn't sell. With Net auctions, the transaction is impersonal and no one will see you. The element of fear is totally absent.

15) You will make lots of new friends -- It's very satisfying to talk with people who share common interests with you. With Internet auctions, you will get to meet many kindred spirits.

16) You can automatically become an expert -- Once you learn the field, it's easy to become known as an expert. This is knowledge which may pay off in other ways. For example, a friend who sells jewelry on eBay recently had the opportunity to buy a large amount of it from the estate of an elderly woman. She sold the entire amount to a local jeweler before she could even get in on the auction site. She made $7,000+ in profit. She was then was asked to share her expertise at store level -- for a fee, of course.

Right now, there are millions of people involved in Net auctions and traffic continues to increase dramatically. Why? Well, there as many reasons as there are customers... but the key ones are shopping convenience, bargain prices, safety/security (no need to leave home!), and entertainment.

If you have been an entrepreneur for a while, you may have had the heart-breaking experience of pouring your energy and money into creating a successful business... and then have it fall apart for reasons that are not your fault. That's happened to me, and it's a pretty sad experience.

Will that happen with your auction business? Will you create a successful system, make piles of money and have it disintegrate? Definitely not! Your "dream business" is yours for the taking.

Doing business online successfully is really **not** complicated...

1) Deliver good products or services that people need or want.

2) PREsell by "warming up" your visitors so that they trust you and then sell.

3) Attract targeted traffic cost-effectively.

Use **Site Build It!** to build a Web site that will super-boost your affiliate business and keep **you** in charge, not eBay. To see how to reduce risk, check out… **http:/auctions.sitesell.com/**

Are you ready to begin your new auction business? If you are, it's time to take the first step. It will only take a few minutes. Go to **http://www.ebay.com/** and I'll meet you there...

4. Five Minutes to Start

Before you can play the Net auction game, you have to get on the team. Registration is absolutely free and it only takes about five minutes to fill in some information. Once again, I must point out that we are using eBay rules primarily because the other sites have mostly copied their lead.

STEP #1 -- **Register.** There are three requirements for registration...

1) You must be 18 years old. Recently, the horrified parents of an 11 year old boy discovered that their son had bid over $300,000 on eBay items. The sellers were not amused!

2) You must provide a credit card number. It costs nothing to browse eBay listings, yet to participate in any way requires a number. Buyers pay nothing to the auction sites. Only sellers pay charges.

3) You must have a valid e-mail address.

Next comes personal information to insert. Please note... you will be asked to check whether you prefer **SSL transcription** or not. The answer is yes. **Secure Sockets Layer** makes your information much less vulnerable to the After-School-Hacker Club. Privacy is a tough Internet issue. Don't make it any easier for the snoops to find out about you. In fact, it is wise to only shop at sites with SSL.

Provide eBay with your name, address, telephone number and e-mail address. Unless you tell the truth here, you won't be an eBay member. When you are buying and selling, there is frequent communication between you and your auction site. Depending upon your ambitions, you may want to create a separate e-mail address just for your auctions. It is more efficient if your auction messages are separate from your family reunion ones.

eBay promises that your personal information will be given only to law enforcement agents or eBay's watchdog program, "Verified Rights Owners." They only reveal information if fraud is involved. Other users may need your contact information to complete a transaction. eBay guarantees that they will send you an e-mail giving you the name and full contact information of anyone who requests information about you.

STEP #2 -- **Choose your User ID.**

STEP #3 -- **Pick your password.** For safety's sake, auction sites recommend the following **safeguards...**

- Never give your password to anyone

• Don't pick anything obvious. Of course -- but what is obvious? I have often used the years of my children's birthdays. How many strangers have this information?

• Use nonsensical combinations of words and numbers

• Change your password if you think anyone else might have it.

• Stay away from really weird and funky names that might turn people off. "Son of Sam" might be amusing to you but it also might cost you a lot of dollars!

• Refrain from using words that might reflect negatively on your products. "Garbageman" may convey an image you don't want.

• Don't make your ID too long -- "GreatguidefortheLewisandClarkexpedition" might be a tad difficult!

• Don't use underlined names because they are a big pain.

• Don't use ALL CAPS names because many Net users consider this **SHOUTING.**

The auction sites have some rules of their own to consider…

• They don't want case sensitive names like SyDnEy.

• Foul language is prohibited.

• No names with just one letter. Some symbols, such as & and @, are prohibited.

• IDs that use the company names, like "ebayseller," "amazonkid" or "yahoocowboy" are prohibited because they seem to imply that you are an employee.

STEP #4 -- **Agree to have a personal page.** eBay, for example, has created "About Me." The way eBay views it, their members are part of a community, a family. And anyone who wants to share information about themselves is welcome to do so with a personal Web page.

Here is what you can do with a personal Web page...

• Create a storefront for yourself.

• Show off your fabulous finds.

• Display your items up for bid.

- Educate the world about your favorite hobby.

- Promote who you are in the eBay community.

If you browse the eBay categories, you will see that very few people take advantage of this option. Privacy is such a hot issue on the Net that it seems like a personal page is a contradictory idea. But a personal page is an absolutely fabulous **marketing tool.** Take advantage of it. You get free **advertising** on some of the most heavily-traveled consumer locales in the world.

Again and again, eBay urges its trading community to check feedback, to check the reputation of the seller. When you auction your products or services, you can be sure that many buyers will indeed do just that. The Internet is famous for its anonymity but that isn't wise if you want to sell over the Net, whether on an auction or not. If your customer doesn't trust you, she isn't going to buy. Period.

When you go to a store, do you buy brands that are familiar to you? Would you buy a highly technical product without knowing the company and having contact information easily available? Personally, if there is no way to contact an Internet company, I don't buy from them -- ever. The more **confidence** you inspire, the more money you will make. So what's the million-dollar answer to the question, "Do you want a personal page?" Yes, yes, YES!

OK. Now what do you put on your page?

1) Be creative and think about what would inspire confidence. Definitely include pictures. Allow your customers to see you as a human being like them. This is very reassuring. For example, if you sell dolls, definitely include a picture of yourself surrounded by dozens of your little friends.

2) The best kind of information reinforces your expertise. Perhaps you sell cars, own a garage and can personally verify the condition of everything you sell. Or you teach classes on pottery and ceramics, which you also auction. You have written a book on antique jewelry and you sell bracelets and necklaces. You own a restaurant and you sell specialty food items and cookbooks.

- Show pictures of items you have successfully sold in the past, and always mention your Web site, if you have one.

- Use testimonials if you have them. What you say about yourself will never be as believable as what someone else says.

• Don't use those hokey, phony ones, "Joe S. of Utah says ..." Nobody, but nobody, believes those. Use pictures, if you can. Provide contact information.

• Use your imagination. Record some of your fans talking, and use it as a testimonial.

• Be subtle. But if you have a business or a Web page, always include references to it. For example, if you specialize in paperweights, you might say something like…

"After several years in the business, I have learned how to recognize the most valuable paper weights. In fact, if you would like to read my article on 'The Ten Most Valuable Paper Weights in North America and How to Recognize Them,' you can download it for free on my Web site paperweightking.com."

STEP #5 -- **Provide your credit card number.** The fees for selling an item are very minimal. In fact, selling on an auction site has to be the biggest **bargain** in town. Sellers are charged an **insertion fee** when a product is placed for auction. If it sells, they are charged a **final value fee,** based upon the final price of the item. Each seller receives an invoice for the previous month's fees.

In my first week in business I made over $1,000. (Actually, it was $1,027.53.) Out of that amount, I paid eBay $38. A very minimal cost for doing business!

So where do you stand now?

You are registered, have your personal page and are ready to begin an actual transaction. Actually, you are more than ready. You are roaring to start.

Now here's a strange-sounding statement... **The best way to make money is to spend some money!** So get ready to buy something you really want…

5. Begin by Buying

To become a **master** auction player, you must start by buying something. Why? Simple. You can't sell **effectively** if you have never bought. For example, when I find a new supplier, I never auction their merchandise until I have ordered at least one item from them. If their service is awful, or their merchandise is not what I expected, I want to know it. I need to know this before I go out and sell it and have a bunch of angry customers attacking me.

The auction sites have internal Search Engines which make it easy to find anything that interest you. The first place to start on any site is to look at their categories. If you go to **eBay's** home page, the first thing you will notice is the category list...

eBay
http://www.ebay.com/

Within those broad categories, however, there are incredible varieties of sub-categories (and sub-sub-categories). Suddenly, hundreds of possibilities enter your mind. I don't see how it's possible for anyone not to find something to interest them. There really is something for almost everyone on auction sites.

How can you find something you might want to buy? You can search not only in a particular auction site but over **all** auction sites as well. Let's start with the most immediate source...

1) Individual Auction Sites

To locate an item, you simply click on the **Search button** and enter the keyword(s). On eBay, you can save the search results and you will be notified about this request for thirty days.

These engines are simple to use and mostly effective. There are five basic ways to search for an item…

i) By title -- this means a subject name. For example, type in "1800 pocket watch" or "Record album, Three Dog Night." One problem that hampers buyers in their search is some sellers' very creative spelling habits. Another is the kind of foolish titles that some sellers indulge in like... "LQQK OLD RECORD!!!!!!!!"

ii) By item number -- this is a more limited search method because you must already know something about the item to have its number.

iii) By seller -- lots of serious auction sellers use this search method to keep themselves informed about their "competition." Personally, I think there is so much opportunity in the auction business that there is very little reason to be concerned about what others are doing.

iv) By the bidder -- this can be a very powerful way to learn your niche. If you discover someone in your field who really knows her stuff, you might want to follow her around for a while and see what she's doing.

v) By checking past auctions -- this is a great research tool because you can see the price on similar items and you can check the number of items that have shown up recently. This is the most accurate type of **supply and demand** information. Some bidders are such fierce collectors that they compete with rivals. They constantly check up on each other to make sure they aren't overlooking any special treasures.

2) Multiple Auction Sites

There are some amazing electronic creatures called **"Bots"** (Robots). ShopBots and AuctionBots will search an item for you. Their biggest advantage is that they aren't limited to only one site. You simply type in what you are looking for, and they will go to many different sites to find what you are seeking.

Some of the best known AuctionBots are...

http://www.vendio.com/

http://www.auctionwatchers.com/

http://www.bidxs.com/

"Seek and ye shall find" rings true in the Net auction world.

5.1. Carry Out Due Diligence

Major news bulletin... Rushing out to buy something without knowing what you are doing is not smart business! If you are investing in a five dollar book, simply to get a feel for the auction process, it's no big deal. But it is still important to follow **due diligence.**
Once you learn the process, not only will you not make serious buying errors (or not as many), you will also learn how to be a more powerful seller. Here are the key elements…

1) Item Description -- Obviously it is the buyer's responsibility to know what he is buying. If you have any questions, ask, ask, ask!

2) Item Condition -- There are "grades," which refer to condition. These are well established in professional circles and are used in some descriptions of auction items. The grades are...

i) Mint or MIB (for Mint-in-Box) -- this is a never-used item, still in its original container, complete with directions. In other words, perfect.

ii) Near mint -- the item is perfect but it no longer has the original packaging or the packaging is less than perfect.

iii) Excellent -- has some minor wear but is very close to perfect.

iv) Very good -- has minor defects

v) Good -- looks used, with defects

vi) Poor -- is barely collectible at all, heavy damage, heavy use

Be forewarned! Most people tend to **overestimate** the value of their goods. This isn't necessarily because they are liars or they intend to deceive (although some sellers are dishonest). It's just that the items involved are "treasures" and it's tough to be objective. So find out... Is the item new or used? If new, does it have its original packaging? Its warranty? Directions? If used, what is its condition in terms of scratches, missing parts, faded paint? If applicable, is it genuine, or a reproduction? Who is the maker?

3) Transaction Terms -- You need to know the details of the transaction...

i) What is the seller's refund policy if the item is damaged?

ii) How long will it take to get your purchase?

iii) What are your payment options?

iv) Who pays for shipping (almost always the buyer).

v) Who pays for insurance, if any?

4) Seller profile -- The most important thing you can do is to know who you are buying from. eBay, for example, has an elaborate system of seller feedback.

Good feedback is absolutely critical to successful selling! You can see that your entire history as a seller is displayed for all to see. This method keeps people honest, and prevents sleazy people from harming buyers.

Buyers have three choices for feedback... **negative, positive or neutral.** Any buyer wishing to give negative feedback must have a transaction number, or he cannot give feedback. This is a way of protecting sellers from spiteful people.

When you move into the seller's role, remember... if you want to receive (positive) feedback, you need to **give it!** The feedback mechanism, however, is not always clear. There are sometimes a lot of very confusing directions for finding your buyer or seller to give feedback. For example, you might be asked for the ID or the auction number of the transaction you are seeking. It might have been weeks since the auction was completed and you can't easily access this information.

Solution? To locate someone on eBay, click on "Services" link and then the link to the Feedback Forum. Once you are there, click on the "Leave feedback about..." link.

Type in your ID and password and click "Find all transactions in the past 60 days," and the site will take you to your own auctions. There you will find a list of everyone you have done business with in the past two months. Smooth, easy, beautiful. You don't have to remember any password or ID but your own. Guaranteed! I wasted lots of time trying to find other folks' IDs until I discovered this simple method!

We have probably all had **dealings with...**

... "The Customer from Hell" at some time or other.

What if a buyer unfairly maligns you? First of all, she can only give you one negative point, although she can load up your feedback with unflattering comments. Secondly, the seller always has a chance to reply.

As a buyer, you have the responsibility to use feedback fairly. If you don't, you may be on the receiving end of some pretty tough criticism when you are in the seller's role. So...

i) Wait until the transaction is complete before you comment. Don't be too hasty to give negative feedback (there are only specific circumstances where feedback can be withdrawn).

ii) You can't leave feedback for yourself.

iii) Don't ever threaten others with feedback. That's a quick way to get thrown off the site.

5) Value assessment -- Before you bid on anything, do your best to understand the value of what you are buying. Of course, value is truly in the eye of the beholder. But there are ways to **educate** yourself. eBay offers information on several categories. It's free and fairly accurate. If eBay doesn't know, who does?

These articles are just one way to obtain information. There are countless books, magazines and Internet information about all kinds of subjects.

If you are bidding on an item, it must be because you are interested in this area. To become a successful auction player, you must be knowledgeable about your particular interest. So use every available resource at your disposal.

There are two **cautionary flags,** however…

All experts are not created equal. In other words, every so-called expert isn't really. Some people claim to know more than they do, simply because of ignorance. For others, it's because they wish to make money at any cost. If in doubt, never take the advice of only one person.

Most of the more experienced auction dealers agree that the "price guides" that are so common in bookstores may not be very reliable. Just because a guide says your 1959 Elvis record is worth $1500, don't expect to get that much money for it if you decide to auction it. Of course, maybe you'll get much more. Buyers often make errors. A good place to do background research is at…

http://pages.ebay.com/community/library/ebay/

6) Financial limits -- I can't emphasize this enough... Don't get the **wrong type of auction fever!** Set your limit and stick to it unless there is an absolutely compelling and rational reason for doing otherwise.

The most famous example I know is a gentleman who bid over $100,000 on an item. Fortunately for him, the sellers were gracious and the item sold for a more reasonable $11,000.

5.2. Contact the Seller

What if you have questions that aren't answered by the item description? Always contact the seller if you don't totally understand what you are getting into. Whenever you see an item for sale, you will also see a phrase that says "ask seller a question."

It is the buyer's responsibility to be very clear.

What if your bid wins an item and you discover that it's something you don't like? Unfortunately, you didn't ask any questions before you bid so it's tough luck. You didn't do your homework and now you have to live with the consequences.

The point of this chapter is to understand the buyer's experience, not to just get you to spend some money. Find a low-priced item to buy so that it doesn't cost you much for your "education."

The important point here is to **analyze the buying process** to see what you need to do in order to be an **effective seller.**

Review of all the categories on a general site, like eBay, unless you already are passionate about something and plan to specialize in this. It won't take that long because you will be able to dismiss most of the categories without even thinking about it.

Don't spend hours doing this. Just take a quick survey. Keep an open mind.

If you take the time to do this exercise, you will know more about successful selling than most people who have been auctioning for years. Most people don't bother with this step. They just use the "hit-and-miss" method.

SIDEBAR

Most people fail in any business because they don't plan adequately. Build a foundation that is solid. A hit-and-miss approach leaves cracks that in time weaken your business. Take the time now to do the necessary prep work. And then there will be nothing to repair later on. Ken Evoy (**SiteSell.com**) often quotes Benjamin Franklin... "By failing to prepare, you are preparing to fail."

Now let's bid on your first item. It's the best way to learn how to be a competent super-achieving seller and make the kind of profit margins your heart desires...

6. The Bidding Process

The word “easy” keeps popping up when you talk about Net auctions. It’s easy to register and it’s easy to bid on an auction.

A look at a sample bid confirms this...

Each item will state a **minimum** bid. In the example above, it’s $190. If you agree to match this bid, two things happen. The auction site asks you to review your bid and then to give your password and user ID.

In a very short time, you will receive a confirmation e-mail from the auction site. As was mentioned earlier, there is **no charge** for bidding.

6.1. Bid Increments

The auction sites have bidding **increments.** eBay, for example, has the following guidelines...

ITEM PRICE	BID INCREMENT
.01 - .99	$0.05
1.00 - 4.99	$0.25
5.00 - 24.99	$0.50
25.00 - 99.99	$1.00
100.00 - 249.99	$2.50
250.00 - 499.99	**$5.00**
500.00 - 999.99	$10.00
1,000 - 2,499.99	$25.00
2,500 - 4,999.99	$50.00
5,000 & up	$100.00

This means that if the item you are bidding on is currently at $261, and you bid $262, your bid would be refused. You must bid a minimum of $266 to stay in the game.

If you place a bid, do you win? The answer is a loud and clear... **maybe.**

You only win if you have the **highest** bid when the auction closes. One great feature of Internet auctions, however, is that they will notify you if you are outbid and by how much. Got to keep that auction frenzy going somehow.

6.2. Your Computer Will Bid For You

Proxy bidding is an interesting feature of auction sites. Picture this...

There is a signed edition of “The Firm” by John Grisham being auctioned. You have a signed collection of all his works, except this one. You are desperate to have it and are willing to pay up to $325 for it. At this point, though, the bidding is only $202.50.

What is your best strategy? Are you going to sit by your monitor, waiting and watching? Should you bid the $325 right now? Thanks to proxy bidding, you don’t have to do either. To win the book, all you must do is click “proxy bidding” below the minimum bid amount and enter your proxy bid of $325. The computer will bid for you. Whenever your arch-rival bids on your book, the

computer will automatically bid the next accepted amount for you. And each time the computer bids for you, it notifies you via e-mail.

Don't worry. Your maximum bid is a secret. When and if the price exceeds $325, the computer will not bid any longer.

6.3. Reserve Auctions

When bidding on an item, you will sometimes see "Reserve" by the bid. Whenever a seller lists an item, she must list a minimum bid. This is not the same as a reserve. A reserve is a price **below** which the seller will not sell and the amount is kept secret during the auction.

You will often see some strange items sold this way. When I was a novice, I was startled to see a diamond bracelet with a minimum price of $1. However, there was a large reserve price on this bracelet.

Why do sellers do this?

One reason is to have a **lower insertion fee** to pay. Another reason is to create **interest** on the part of the buyers. Here is an example of a sale item that deliberately was started low just to create interest ...

New/Barely Used Palm VII Wireless Internet

Item #350700311

Computers:PDA's:3Com, Palm

Currently	**$360.00** (reserve not yet met)	First bid	**$0.99**
Quantity	**1**	# of bids	**20** (bid history) (with emails)
Time left	**7 days, 20 hours +**	Location	**FL**
		Country	**United States**

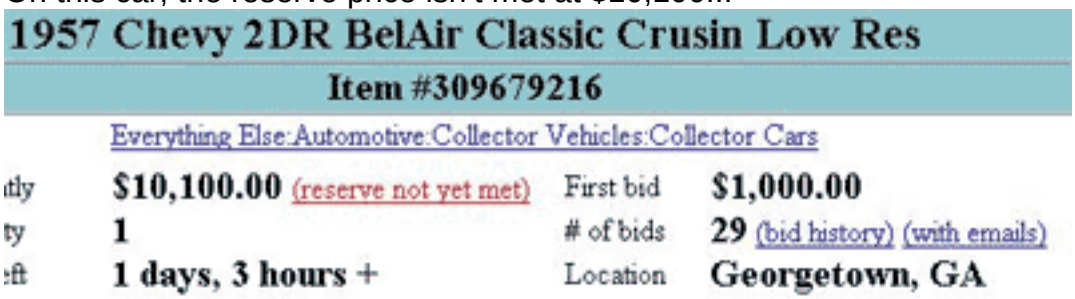
If you look at the line entitled, "First bid," you will see that the seller began the bidding at 99 cents. For a "new/barely used" palm pilot? The seller absolutely did not expect to receive this tiny amount. Instead, he set the reserve high enough to achieve whatever profit he thinks is reasonable. As you can see, the current price is $360 and the reserve isn't met yet.

Here are other examples of reserve items...

1957 Chevy 2DR BelAir Classic Crusin Low Res

This is a typical reserve auction. After the description is the notation "Res." This lets prospective buyers know that it has a reserve price.

On this car, the reserve price isn't met at $10,100...



If it is not met, the car will not sell at the end of the auction, even though it has received 29 bids.

Are reserve auctions a good selling strategy for you?

A reserve seems like a really cool idea. You can sit a tiny minimum price and yet be covered so that you don't have to sell your Rolls Royce for $10. The downside, however, is that there are many buyers who will not bid on reserve items. They "don't want to waste time playing games," as one buyer put it.

I once bid on an item seven times in a couple of minutes, and each time received the "reserve not yet met" response. I gave up in disgust and I haven't bid on an item with a reserve price since then.

This is an individual decision, without question. But as a seller, be aware that many potential buyers will pass you by. Reserve auctions are definitely in the minority.

6.4. Bidding Strategies

Really serious auction players and collectors develop **winning** strategies to make sure they get the items they are craving. They manage to buy items that they can then resell for a nice profit. Mastering effective bidding strategies means more cash for your pocket. Here are a few to consider...

Strategy #1 -- **A few cents can make the difference.** Most buyers bid in nice, round numbers like $5.50 or $10.75. But those who study the auctions learn that a few cents can make a difference. Instead of bidding $12.50, bid $12.53.

Sometimes these few cents will be a difference between winning and losing.

Power tip… Don't use this strategy at the very beginning of an auction. Wait until near the end of the bidding period. Why? Because your competitors will realize what you are doing, and you will lose your edge.

Strategy #2 -- **Snipe cautiously.** A last-minute flurry of bidding is called "sniping." This is the fine art of waiting until the last possible second to defeat the current high bidder. Many scream that it is not playing fair but it is totally within the rules of the auction. And it can be a lot of fun. Sniping is the electronic equivalent of parents in the toy store fighting over the last Robo Laser Geek on Christmas eve! Be prepared, though. You may be on the wrong end of a snipe one of these days!

If you are a serious sniper, try this next tactic. Computers take a few seconds to record bids so the bid entered 10 – 20 seconds before the end of the auctions usually wins. Many people take this very seriously. They use pagers, alarm clocks, etc., to sound the alert. Some even schedule their entire afternoon around an expiring auction.

Then they may regale the crowd in the chat rooms **the next day…**

… with play-by-play tales of their savvy moves!

Strategy #3 Use the two screen strategy. In the event of a bidding war, really serious bidders use this strategy to acquire a treasured item. First, make sure your clock is set to the time of the auction site. You wouldn't want to miss out on your treasure because you lost track of time.

If you press the Control (Ctrl) and N key together (Command and N together for Mac users), you will open a **second screen** on your browser. You can use one screen to bid and the other to watch a flurry of last minute bids. To keep up with the bids, keep hitting the **reload or refresh** button on your computer. In this way, you know what all your opponents are doing. Feel your adrenaline spike!

If you use this tactic, be aware that it takes precious seconds to fill in your ID and password so have that part of your screen filled in to save time. And... good luck!

Strategy #4 Don't bid high and early. If there are several people who are determined to acquire the item that you want, you will only be forcing the price up and up. Wait until closer to the end to make a determined series of bids.

When you are selling, you will see this happen again and again. Many buyers wait until late in the game to bid just because they don't want to run the price up.

Strategy #5 Don't get carried away. Keep some perspective. Don't bid more than the item is worth to you. Keep in mind that if you lose, there will probably be another one available tomorrow.

Why am I including so much information about bidding? Simple. **The more you know about the auction process, the more effectively you will sell.** I can't repeat that too often.

Ken constantly advises that the better you know your customers, the more successful you will be in your business. In short, you need to know how your customers feel and behave. You have to get into your customer's **mindset.**

SIDEBAR

You need to understand your customers' thoughts and feelings, figure out their personality type, sense what makes them tick. Basically, you have to get inside their heads. Once you know your customers, you can anticipate their wants, appeal to the right emotions and show them how your product/service will benefit them. That's what effective **PREselling** is all about.

For more information about PREselling, see **http://auctions.sitesell.com/**

Another powerful reason for understanding the what's-what about bidding is that as a seller you might want to stock up on good deals that you see for resale later. Here is a great example. This seller bought 50 pairs of earrings in 9 days. She bought them for resale...

a2000@worldnet.att.net (13)	$3.00	25	Sep-17-00 19:20:16 PDT
a2000@worldnet.att.net (13)	$1.76	25	Sep-26-00 21:24:55 PDT

Or consider this approach. There is a **"Wholesale"** category on eBay where sellers can buy items to resell later...

WHOLESALE CASE 60 RECHARGEABLE RAZORS	$360.00
1 Bid for 50 Laser Pointers at WholeSale. $85	$85.00

Personally, I prefer to find my own sources. But some sellers beg to differ. They insist this is a profitable way to buy merchandise.

Again I have to emphasize, **really know your prices before you invest in any merchandise.**

6.5. Buyer's Remorse

Retracting a bid is a huge no-no. Nothing can ruin your trading career more quickly than backing out on your bids. Why? This business runs on **reputation** and if you get a bad one, you will be damaged, possibly beyond repair. Many buyers won't do business with you. In the worst case, you can be suspended from the auction site.

So it's important to know the "ins and outs" of withdrawing a bid...

1) Acceptable grounds for retraction -- Retracting a bid is so serious that I **strongly** advise you not to do it unless under extreme circumstances. Here are a few "sort-of" acceptable "grounds"...

i) You accidentally enter a wrong bid amount. For instance, you bid $99.50 instead of $9.95. However, if you retract a bid because you "meant" to bid something else -- you bid $29.95 but meant to bid $25.95 -- you won't get any sympathy and you will be judged harshly by your fellow auctioneers.

ii) The item description of something you're bidding on has changed a lot. Sellers will sometimes add to the description of an item. If this changes, bidders will sometimes withdraw their bids.

iii) You cannot verify the seller's identity, or she won't respond to any of your questions. Even though this is sometimes accepted by sites as a legitimate excuse, you really should figure all this out before bidding, not after.

2) Unacceptable grounds for retraction -- There is no sympathy if…

a) You change your mind about the item.
b) You decide you can't really afford it.
c) You bid a little higher than you meant to.

Make your decisions **clearly** before you bid.

3) Failure to comply -- "They can't make me buy it"... this statement is quite true. However, watch your step here. Auctions sites consider a bid a contract and expect the bidder to fill out a form explaining the reason for the withdrawal. If you absolutely must retract, do it before the auction is over to reduce the damage. It is unfair to leave the seller hanging after the auction is over. Even

if your explanation is accepted, it will go into your feedback profile and make future sellers and buyers wary of dealing with you.

A seller may always refuse to sell to any particular person, and needs no reason for her refusal. You might find this happening to you a lot if you decide to retract your bids.

Twice I have bid on items and then found them elsewhere at a cheaper price. I decided to honor my more expensive bids. In one case, I was outbid and got off the hook. Phew! The other time, I just paid the extra and vowed to do better research in the future. I am not telling you this story to be nominated for sainthood! **It's just smart business practice.**

Now let's see where we can apply our bidding strategies…

6.6. Kinds of Auctions

The typical auction is the nice straightforward kind of winner-takes-all. However, there are special auctions, and one kind in particular is critical for any seller who wants to reach the top pinnacle in the auction business.

Here is a quick overview of the different kinds...

1) Reserve Auction

We have already explained this kind of transaction. Reserve auctions are a very small minority and are usually reserved for **higher-priced** items.

2) Dutch Auctions

Dutch auctions are vitally important to us. They are the key to substantial income generation!

Dutch auctions are very confusing to understand at first so don't despair. (We will discuss them more in the chapters ahead.) A Dutch auction is one in which the seller offers **more than one** of the items she is selling. For example, if you have 25 Nascar models to sell, you can create 25 different listings, or you can put them all in a Dutch auction.

Sometimes it is appropriate to create single listings. Other times, Dutch auctions are the way to go. There are different strategies for either approach...

i) Rules -- On most sites, brand new traders cannot participate in a Dutch auction. For example, on eBay, you must be a member for 60 days and have

at least 50 feedback points. This restriction isn't to pick on the "new kids." It's because it takes some skill and practice to manage them.

There can be no reserve price in a Dutch auction. There is no proxy bidding, either. The winners in a Dutch auction purchase the item at the **lowest** successful bid.

This can get a little confusing, so stay with me here. First, let's make up an imaginary auction just for the sake of explanation. After that, we'll look at some actual auctions...

Example 1... Let's say that Jane is auctioning 10 pairs of earrings, with an opening bid of $5. If 10 people (or less) bid $5, no problem. They all get a set of earrings.

Example 2.... What if 16 people bid on those 10 sets of earrings? Who gets them and for what price? We'll pretend the bids went like this...

Buyer A - $13.50
Buyer B - $12.75
Buyer C - $12.25
Buyer D - $11.80
Buyer E - $11.00
Buyer F - $10.43
Buyer G - $9.10
Buyer H - $7.50
Buyer J - $5.00
Buyer K - $5.00
Buyer L - $5.00
Buyer M - $5.00
Buyer N - $5.00
Buyer O - $5.00
Buyer P - $5.00
Buyer Q - $5.00

Buyers **A to K** get the earrings. But why would J and K get earrings, and buyers L to Q not get them, when they bid as much as J and K? It all has to do with the chronological sequence. The **first buyers who bid a winning price** are the lucky ones. Perhaps J and K bid on Tuesday morning, and the others didn't bid until Tuesday afternoon or sometime on Wednesday.

Now for the tough question. What does everybody pay for these earrings? The price is based on the **lowest** successful bid which in this case was $5. Therefore, everybody pays $5.

Yes, you read it correctly. **Everybody!** Even though Buyer A bid $13.50, she only has to pay $5. **Arrgh!...**

...WHAT THE HECK IS GOING ON?

I promise, it will get very clear when you start to wheel and deal in the Dutch auction arena. For now, just be aware that Dutch auctions are something you want to master. They are the source of super profits.

Let's look at two actual Dutch auctions that might make this whole thing clearer.

Situation A... This seller began her auction with 5 digital cameras and opened the bidding at one cent (knowing full well that the cameras would climb much higher than that)...

Brand New Retail Boxed Digital Camera

Item #433043297

Photo & Electronics:Photo Equipment:Digital Cameras:General

Bidding is closed for this item.

$50.00	First bid	**$0.01**
5	# of bids	**74** bid history |
Auction has ended.	Location	**Texas**
	Country	**USA**

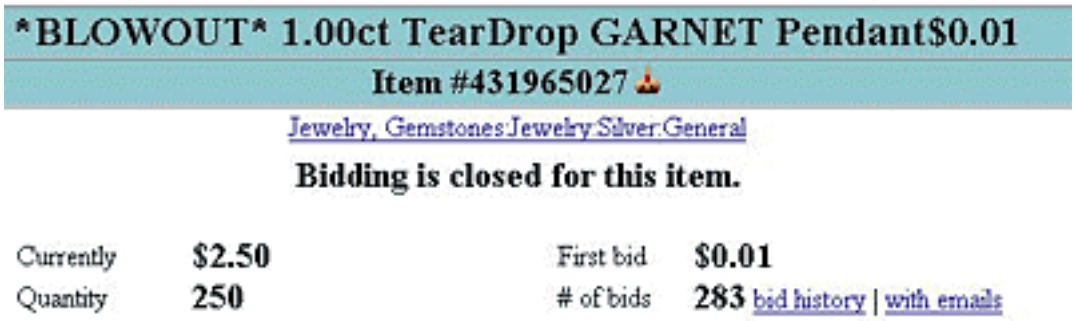
74 people bid on the cameras. The five winners are listed below. The two top bidders offered to pay $55 and $52. The next three bidders offered $50.

Mini-quiz... Did they pay different prices? Or did the five people all pay the same thing? If the latter, how much did they pay?...

User ID	Bid Amount	Quantity	Date of Bid
olny98@aol.com (0)	$55.00	1	Sep-11-00 20:46:03 PDT
mme3 (2)	$52.00	1	Sep-11-00 20:45:52 PDT
ncad (3)	$50.00	1	Sep-11-00 20:40:46 PDT
alvarez (35)	$50.00	1	Sep-11-00 20:45:55 PDT
serswalk@aol.com (0)	$50.00	1	Sep-11-00 20:46:10 PDT

The answer is... (drum roll)... all five people paid $50, even though two of them were willing to pay more. Why? Because $50 was the lowest successful bid!

Here is our second example, an auction in which I bid...



The seller offered 250 garnet pendants for one cent, and the # of bids is 283 bids. The bidding stayed at one cent for days, and that is what I bid as well. The pendant sold for $2.50, since this was the lowest successful bid. The top bidder was willing to pay $25, yet it only cost $2.50. I'm sure she was delighted.

A word of caution, however -- if you ever bid a high price on an auction (assuming that you won't have to pay that much) you may be unpleasantly surprised. **Don't bid any sum unless you are willing to pay it!**

There are three other interesting comments to make about this particular Dutch auction example. These details affect your profit as a seller...

• The listing above has the number **283** in the bid column. This is another difference between a Dutch and a regular auction. The number of bids is actually the number of people. But each of the 283 may have made multiple bids, and so there might be 1,000 requests for earrings for all you know.

• Did I win? No, I didn't because I didn't bid high enough. I would definitely have been willing to pay much more than my one cent bid but because I didn't constantly follow this auction, I lost track of the bidding. Each day, I received an "update" from eBay recapping my sales and my bids. However, this isn't nearly as powerful as receiving **constant** updates, which is what happens with a single auction item.

This reality can depress the price if you are a seller. How come? When there is only one item for sale, the sites immediately notify the losing bidders when someone bids higher. This doesn't occur in a Dutch auction. Therefore, your prices may not move up as quickly.

• It may cause a seller to gnash her teeth in frustration to see that these buyers were willing to pay so much more. That's just the way it is. Those are the rules of a Dutch auction, and we either have to abide by them, or not participate.

ii) When to use Dutch Auctions -- Dutch auctions may be an important wealth tool but you will only want to use them when you have **tested** a certain product and are **confident** that you know what you are doing. For example, if you have never sold solid gold widgets and you auction 5,000 of them, you

may be in for a real shock. There is an insertion fee for all 5,000 of them -- whether you sell them or not!

Dutch auction is definitely a **power strategy** but one to use prudently. If it sounds intimidating, don't worry about it. As you gain more and more auction experience, your comfort level will rise and you will become more experimental. Personally, my largest Dutch auction was for 150 items. But I am very careful.

Key learning point... **TEST, TEST, TEST!**

3) Reverse Dutch Auctions

Reverse Dutch auctions are sometimes found at specialty sites, but they are not very popular. In a reverse auction, the price begins dropping at **specified** intervals. The buyer's job is to figure out when the price is acceptably low. Wait too long and someone else will buy the widget.

It is similar to a Dutch auction, however, in that everybody will buy at the lowest price. However, you had better be willing to pay whatever you have bid. Be sure of your bid -- don't hope or expect the price to drop because it may not. So far, this doesn't seem to be an especially popular format. I have yet to talk to anyone who has participated in such an auction.

4) Restricted Auctions

Restricted auctions are usually for "adult" auctions. To even look at the items in restricted auctions, the site requires credit card information which means the browser must be 18 years old. (This is the Internet auction equivalent of putting "Penthouse" magazine in plain brown wrappers behind the counter.)

432628758	Sep-08-00	Sep-18-00 13:00:39	$13.95	Hidden - Requires Adult Verification
432630224	Sep-08-00	Sep-18-00 13:02:33	$11.95	Hidden - Requires Adult Verification

5) Private Auctions

In a regular auction, the identity of the bidders is available for all to know. In a private auction, this isn't the case. There are usually two reasons for a private auction...

1) If the item is very expensive, the bidders may not want the world to know that they can afford a Van Gogh.

2) In the case of adult auctions, the bidders may not want anyone to know they are bidding on a particular item.

Please note that Dutch auctions cannot be private.

6.7. Side Deals

By “side deals,” we mean those transactions that occur **outside** the regular auction.

As you might imagine, the auction sites are very opposed to side deals. They lose revenue and control whenever this occurs. If you participate in side deals, the auction site may suspend you, if it finds out. And, if something goes wrong, the site won’t help you in any way.

Of course, these transactions occur all the time. My second week in the business, I received an e-mail from a customer. She said that she had no hope of winning the regular auction for an item of mine because she couldn’t afford it. She asked me if I would copy the videos for $75.

I was green as grass and didn’t even think about eBay’s reaction to this so I cheerfully agreed. **Consider this as personal proof…**

… that you can run afoul of the law without even meaning to!

So are you biting at the bit to auction your first item? Let’s get to it…

7. Auction That First Item

Selling is...

... how you make your money.

In order to maximize profits, be **prepared.** Understand and think about your choices well in advance. You definitely don't want any after-the-fact surprises. One such surprise could be your sale costs. Browsing and buying are free but selling is not. Before you list any item, you need to make sure that you know exactly what you will be charged...

1) Insertion Fees -- Insertion fees are required on some auction sites when you list your item. They are **not** refundable, even if your item fails to sell. The only exception is if your buyer does not follow through. In that case, you get a credit on fees. You can re-list your item once. If your item sells the second time around, you'll get a refund of the insertion fee for the second listing. Please make sure the following conditions apply...

a) You didn't receive any bids on your listed item during your first regular auction.

b) You didn't get any bids that met or exceeded your reserve price (for a Reserve Price Auction).

c) You are re-listing the same item within 30 days of the closing date of the first auction.

For a regular auction, the fees on eBay are as follows…

Opening Value	**Fees**
$0.01 - $0.99	$0.30
$1.00 - $24.99	$0.55
$25.00 - $49.99	$1.10
$50.00 - $199.99	$2.20
$200.00+	$3.30

Please note real estate has its own insertion fee schedule. For **Real Estate Timeshare and Land...**

Auction Format	
3,5,7 or 10 day listing	$50
30-Day Listing	$75

Ad Format
30-Day Listing $75
90-Day Listing $200

For All Other Real Estate Categories...

Auction Format
3,5,7 or 10 day listing $100
30-Day Listing $75

Ad Format
30-Day Listing $150
90-Day Listing $300

It's not difficult to see why auctions are such a terrific business venture. If you are cautious, and learn what you are doing before you choose your merchandise, it is almost impossible to lose.

In a Reserve auction, the fees are the same except that if the reserve is below $25, there is an extra charge of **50 cents.** For reserves in the $25 to $100 range, the fee is **$1.** Above $100, the fee is 1% of the reserve bid (maximum fee is $100). If the item sells, these fees are refunded. Just be aware that the fees are based on the reserve price, not the minimum bid. In a Dutch auction, the fees are based on the minimum bid. That fee is then multiplied by the number of items for sale -- whether they sell or not.

2) Final Value Fees -- If you have to pay final value fees, celebrate! If it doesn't sell, there are no such fees. On eBay, the final value fees are as follows...

• $0 - $25 = 5.25%

• $25.01 to $1,000 = 5.25 % of the initial $25 ($1.31), plus 2.75% of the closing value balance

• Greater than $1,000 = 5.25% of the initial $25 ($1.31), plus 2.75% of the initial $25-$1000 ($26.81), plus 1.50% of the remaining closing value balance

For Dutch auctions, the final value is the lowest successful bid, multiplied by the quantity of items you sold.

3) Fixed Fees -- There are certain items that have **fixed fees.** For example, there's a fixed $40 final value fee for passenger cars and other vehicles, and a $25 final value fee for motorcycles.

7.1. More Expensive Optional Fees

Optional fees are not for the beginner who is just experimenting. But after you begin to feel at home with the auctions, experiment with the higher-priced choices and see what happens...

1) Home Page Featured

Featured auctions aren't for the faint of heart. They are expensive. On eBay, it costs $99.95 to feature one item and $199.95 for dutch auctions. Obviously, this strategy is **not** for the novice. But it does increase the likelihood that your item will sell.

If your items are featured, you are guaranteed to be in the featured section which can be accessed from the front page of the big sites. Generally, featured items have a much **higher sale percentage** than those that aren't. If you are very, very lucky, you will be briefly featured on the home page of eBay where thousands, perhaps hundreds of thousands of potential customers, may see your goodies. What does luck have to do with it? eBay says you will "most likely" be on the front page but nothing is guaranteed.

2) Featured Plus!

On eBay, it costs $19.95 to appear in your category's Featured Item section and in bidder's search results. Plus, your item may be selected for display in another area -- your category index page Featured Items section.

Personally, I find this is a very unimpressive feature. If a customer types in the exact words that you have used in your listing, they will find your item. However, if the words aren't exact, it won't be featured. For example, if a customer types in, "Grace E. Putnam Baby Doll," they will find my listing. That's really not a big deal. Even if it weren't featured, she would find my listing with those exact words. Now here's the catch. If she types in the search term "baby doll," she won't find it as a featured item.

Strategy question... Why then did I spend $19.95 to feature a $25 doll?

My answer? This is one of only three reserve items that I have ever done. It was a very valuable doll that sold for hundreds of dollars. So, in this case, it was a good strategy. But like other features that draw special attention, you either need a **higher-priced** item to justify the extra cost, or you need to be running a **Dutch auction.**

For example, the largest number of items for eBay categories is always in **Collectibles.** With that kind of competition, how can you draw attention to your item? One of the best ways is to buy a featured spot. This is like being on the first page of a Search Engine's search results page.

3) Gallery Featured

This type of listing costs $19.95 on eBay. You need a picture in a JPEG (.jpg file) format to use the Gallery (140 x 140 pixels in size).

the gallery
FIGURINE STATUE MARKED J.RUHL-NO RESERVE!
OLD BRASS MIRROR ON STAND
SOLID BRASS MONKEY (SPEAK NO EVIL) !!!!!!
Antique Table Crumber
@@ Vintage Brass Horse and Cart @@

4) Boldface Title

A boldface title costs $1 on eBay and obviously it can bring more attention to your item. See for yourself. Which titles catch your eye faster?...

6 Carats tw Blue Topaz & Diamond Pendant
6 Carats tw Blue Topaz & Diamond Pendant
6 Carats tw Blue Topaz & Diamond Pendant
GENUINE DIAMOND EARRINGS WOW $9.95 look NR
2 PC PRECISION JEWELER LOUPE SETS ONLY $1.99!
18K CAMEO STYLE PENDANT/PIN "LOOK AT THIS!"
* * MONTANA SAPPHIRE TENNIS BRACELET * *

5) Highlight Your Title

For $5, eBay will put a colored highlighter strip through your item listing. Consider it like a yellow traffic light for the eyes to slow down.

6) Hot, Hotter, Hottest!

This is a very valuable designation that cannot be bought.

If your item receives 30 bids, it is placed in the “hot” category, and is placed at the very top of your category. When you find merchandise like this, keep it coming!

7.2. Pinpointing the Value of an Item

“Value” can be tough to define. I have had many items that I was at a loss to price. The ideal price according to veteran sellers is **100% over cost.** That means that if you pay $20, you should begin at $40. Sometimes this may be unrealistic for whatever you are selling.

In many ways, merchandise can be like the stock market where it experiences a dramatic and sudden reversal in either direction (the Dow Jones of eBay... mmmm... a new business idea?) So how do you choose a beginning price?...

1) Research... The best way to **do research** is right on the auction sites themselves. Check completed auctions, as well as current ones, for price comparisons. On many sites, you can look at past auctions for up to 60 days. This type of research will give you valuable guidance.

On the flip side, also pay attention to similar items that didn’t sell. Figure out why they didn’t sell. Do you see any obvious differences? What can you learn?

2) Pay an expert... Because of the huge demand, there are now online sites that will supply an expert appraisal for you, mostly at reasonable prices. For example...

http://www.eppraisals.com/ claims to have a pool of 700 experts who will appraise grandmother’s teapot for $20.

http://www.hiddenfortune.com/ charges $29 per item and provides a certified appraisal based on pictures and written details that have been sent by an e-mail.

http://www.classic-camera.com/ will provide appraisals of cameras and related equipment. It will also explain how to look for identifying marks on cameras and equipment so that you can recognize value for yourself.

Even the appraisers themselves acknowledge that we should use **caution** with these appraisals, especially as buyers. It is easy for unscrupulous people to submit deceptive pictures.

Bottom line? Once again -- just because an item is valued at $500 doesn't mean that someone will actually pay that much.

Yahoo has a special service that helps sellers link to an **authenticator** (expert) or a **grading service.** In certain categories, Yahoo provides a link and icon that will allow buyers to directly view a certificate of authentication, proving that your item is indeed worth the price you are asking. To use this service, go to…

http://auctions.yahoo.com/phtml/auc/us/partners/grading.html

3) Price guides... If you walk into book stores, you can find lots of "price guides." As we mentioned before, don't take these too seriously. They are just that... guides. As well, many people sell merchandise that is new and therefore not included.

In general, price guides aren't all that helpful. They can certainly make it easier to decide if an item is relatively rare and whether you should be purchasing it or not. For example, if you see a stamp and your price guide says that only seven were ever made in the world, start negotiating!

4) Fellow auctioneers can help... Look no further for genuine guidance. Most auction users are very friendly and are totally willing to help those with questions. Even so, look at the feedback on these helpful folks before you take their advice too seriously.

5) Set a reserve price... When sellers are totally stumped about the value of an item, they often try and use the "Cover Your Assets" strategy by creating a reserve auction. However, as we discussed before, many buyers absolutely refuse to participate in a reserve auction.

What are you to do? How can you know if a reserve is wise?

eBay recommends using the following **criteria** to determine if you should use the reserve feature for your item...

- Is your item very valuable? If it is, you might consider a reserve. Even those collectors who are drooling on their computer screen over your 1824 signed edition want to feel like they are getting a bargain. If you start the bidding low, hopefully they will be hooked when it begins to rise.

- Do you believe your audience is large enough that you can afford to give up that large percentage of buyers who won't play the reserve game?

• Is your item hot, hot, hot? If it is then forget the reserve. If the item is in heavy demand, you can count on competition. Set a reasonable minimum and let the excitement build.

• If your market is a real mystery, then go for a reserve. You certainly don't want to give away your merchandise and then find out later that your buyer made the deal of the century. Just be aware that this can be a dangerous decision because you may price yourself out of the (unknown) market.

• If your investment is low, you may be better off to forget the reserve. Set your minimum profit level and let the market set the rules.

7.3. Choosing Your Category

Once you decide to list an item for sale, you must then choose a category. That choice is simpler on the specialty sites. But if you are using a general site, how are you to choose?

For example, you have some toy trucks to sell. Do you place them in "toys," "collectibles," or "automotive"? To make it extra tough, there are sub-categories within those categories. The choice you make may be the difference between a sale and a no-sale. This section will help you choose the most appropriate listing area...

- **Category Search**

First, do your research by checking all possible categories. Initially, this may take some time, and seem rather tedious, but the research you are doing now will enable you to become a power seller. The task won't take nearly as much time in the future. Choose one potential category to begin with. And then, ask yourself these questions...

1) Are there other items similar to yours for sale?

2) Do similar items have bids, or not?

3) How do the prices compare in different categories? For example, there are lots of diecast vehicles for sale in both the Toy and the Automobilia categories. Which category has higher prices?

- **Past Auctions**

Past auctions are simply wonderful sources of information. Search already completed auctions for toy - trucks. If you get too many results, narrow your search. See where the toys have sold well.

- **Active Categories**

Avoid the **faulty** thinking which says that you should list your item in a category where there isn't much action. Too many newcomers make this mistake. The problem is that there aren't any buyers, either!

Of course, if there are six items just like yours, it may (or may not) be prudent to wait until some of these auctions close. That's one of the good things about Net auctions -- they're over very quickly.

- **Multiple Categories**

One sensible strategy, if you have multiple items, is to try them one at a time in different categories so that you can compare your success. In this way, you **inexpensively** test your market.

If you are selling the only antique clock that you own, obviously you must choose only one category. But if you have an entire line of merchandise that you sell repeatedly, list it in any category that makes **sense.**

7.4. Payment Options

Unfortunately, **money doesn't ...**

... shower down from cyber sky. To be on the receiving end of those dollar bills requires time and effort. When I started in auctions, I didn't know a single soul who was actually participating in them. As a result, I made lots and lots of mistakes as I learned the ropes. This book will shorten the learning curve for you.

One mistake-avoidance technique that I really recommend is to think your sales through **before** you even list an item. If you know what is involved in selling and are prepared in advance, your frustration level will be much lower. Your decisions will be sound and you will find ways to do things that suit you best.

So let's get down to business... how will you accept **payment?**

The choices you make will be influenced by the value of whatever you are selling. Most people will not buy and sell a Matisse with a personal check but

will prefer an **escrow service** (i.e., an independent organization that holds the money between buyer and seller).

With a $10 book, your options are obviously different. Payment could be made by...

1) Checks

This is by far the **easiest** way to accept payment. Most auction users are accustomed to this method of payment and are quite comfortable with it. Many sellers specify that they will hold a check for 7-10 days before shipping merchandise. This explains why money orders are so popular. Buyers want their goodies **now.**

Personally, I don't hold checks and I have never received a bad check. I hasten to add that all the checks I have received have been under $30. Therefore, a loss is hardly devastating. My more expensive items have all been paid for with money orders. Now this doesn't mean that I will never get a bad check -- the odds are that I will at some point. So it's common sense to be prudent.

Another possibility is to use a service that covers bad checks. For example, I now have some terrific health insurance that is created specifically for self-employed people. One of the benefits is that they will cover any check up to $2500 and I will receive the money within 48 hours.

There are also services that allow for check-by-fax but I have never seen this used.

2) Money Orders

All sellers accept money orders, certified checks or cashier's checks. When specifying payment, it is best to give these certified funds as an **additional choice** -- not the only choice. (There are people who don't like the extra expense or trouble of obtaining certified funds. These folks will likely skip your auction altogether.)

3) Cash

Don't specify cash! Many people will be suspicious about fraud and there are obviously no safeguards against loss in the mail. From a buyer's point of view, it is risky because there is no proof that you received their payment.

There can be problems when dealing with international customers because U.S. and Canadian money orders are supposedly tough to come by in some places. However, Western Union with its offices all over the world can handle this hurdle.

4) Credit Cards

Many buyers like credit cards because of the security they offer. Luckily, it is getting easier for sellers to offer a credit card payment option. The former process of going through banks and having your personal history checked back to your first grade teacher is over. There is too much competition for merchant accounts and/or third party software.

Do your homework by comparing several companies. And don't be mislead by certain claims. For example, many of them claim that if you join their program or if you act within a certain time period, or ... blah, blah, blah ... they will waive the fees to join. In truth, they all waive those fees.

Shop and compare.

SIDEBAR

Interesting point. Many sellers who have a merchant account for their other businesses may still not take credit cards for their auctions. They believe that most people are in the habit of using cash and money orders and, as a result, don't use credit cards.

Personally, I think that shortly almost all transactions will be completed through a third party. There is more security when a reputable company is involved.

5) C. O. D.

Don't! Collect on delivery is a very bad idea for two specific reasons. First off the bat, **your buyer must be home...**

... for delivery or it will be returned to you.

One of the most attractive features about Internet shopping of all kinds is convenience. Most folks do not want to sit at home waiting for a package.

Second reason -- if the buyer is home, he must have exact change for the item. If not, the delivery person won't leave it. It would seem logical that if someone was expecting a package and knew the exact price of delivery that he would also have the exact amount sitting in a convenient spot. Don't count on it. Just ask the pizza delivery people.

Many buyers will by-pass C.O.D. items entirely.

6) Escrow

An escrow company can make sense in certain situations. For instance, the sale item is expensive. eBay claims that half of all their items are $25 or less. Unless the buyer is really spooked, escrow doesn't make sense for a $15 item. If the buyer insists on an escrow company, make sure they are willing to pay every cent of the expense.

However, buying a $25,000 diamond and emerald bracelet is a very different story. Would you send thousands of dollars for an unseen item to a seller whose password is Shifty?

A buyer might be anxious about the arrival condition of 12 place settings of antique china and insist on escrow services. (If I were the seller of such an item, I might consider having the packing done by professionals who have insurance.)

Before using an escrow service, make sure the terms are crystal clear on a few points...

- Who is going to pay for this service. Typically, the buyer pays but this is negotiable.

- Who pays for return shipping in the event that the item is damaged or unsatisfactory in some way?

- How long is the inspection period? Escrow services usually allow two days for the buyer to determine if her purchased item is satisfactory.

If you and your buyer decide to use an escrow service, often the auction site will recommend one. Or you can choose one that suits you.

The "loop" works like this... The buyer sends her payment to the company who then notifies the seller to send the merchandise. The buyer can drastically affect the speed of the transaction by her choice of payment and you should let her know this.

If she sends a personal check, the company will hold it for ten days before notifying the seller. If the buyer wires the money, it will usually be credited the same day. When the buyer notifies the escrow agent that she is satisfied, the company sends the money to the seller.

If the buyer is going to return the purchase, the seller notifies the company when the merchandise is returned. At this point, the buyer receives her money back, minus the charges from the company. Perfect **security** for both buyer and seller.

7) PayPal

http://www.paypal.com/

PayPal, owned by eBay, is my personal favorite. It is also currently the most popular way to transfer money from your buyer to your account. Using their services is very simple. All you need is an e-mail address.

Picture this scenario. Susie wins the bid on your prize Christmas platter. As soon as she is notified that she is the winner, she contacts PayPal through her e-mail account. She gives PayPal the particulars of the transaction, including your e-mail address and the auction number. PayPal verifies her information, and notifies you that Susie has paid for her item. You ship it to Susie. A seamless process in action.

Buyers really like it because...

a) They are not giving their card information to a stranger.

b) The transaction is so quick -- no mailing, waiting for checks to clear, going and buying money orders, etc.

Sellers like it because...

a) They get their money immediately.

b) They don't have to be running to the bank to make deposits.
PayPal is simple and quick. And its **verification protocol** protects both the buyer and seller from fraud. Credibility is a critical factor in any small business development. A Net auction business is no different.

7.5. Condition of the Item

It is imperative that every seller be **scrupulously** honest about the condition of whatever she is selling. If it is chipped, say so. If it is stained, say so. If it has under-linings, water spots, missing pieces, faded spots... you get the picture.

After all, the buyer will see it sooner or later and an unhappy customer is fatal to your success in the auction business. **All sellers want and need...**

... ecstatic customers!

The auction sites are like small towns in many ways. People do talk. Your reputation as a honest seller is beyond price and once it is tarnished, you may be handicapped forever. I can't emphasize this point enough.

7.6. Return Policy

What is your return policy going to be, if any? Don't wait until you have unhappy customers to make this decision.

No auction rules force their sellers to have a return policy. However, having a liberal one, and letting your customers know about it, can create more business. It signals to your customers that you care about them and stand behind your merchandise, even if it costs you money.

There are only two possible kinds of return policies, **unconditional and conditional...**

An unconditional policy means that your #1 goal is a satisfied customer and you will take back the merchandise for any reason. This doesn't mean, however, that anything goes. The merchandise needs to be returned in excellent condition and there can be a time limit.

With a conditional return policy, you specify the conditions. For example, if the merchandise isn't as described by you or it was damaged in shipment, you will accept its return.

Buyer's remorse isn't an excuse, nor is finding it cheaper elsewhere a legitimate reason.

Many sellers make a mistake with guarantees. They create a fabulous guarantee but then they don't reveal it unless they have to because they are afraid someone will take them up on it. If you decide on a **powerful unconditional guarantee...**

... trumpet it for whole world to know! If you're going to assume this liability, get marketing mileage out of it.

SIDEBAR

99.5% of people are decent folks who appreciate an honest, good-value effort. And they won't violate the trusting gesture of a money-back guarantee... as long as you are offering **true value.** That's why Ken continues to offer an unconditional guarantee for **SiteSell** products **(http://www.sitesell.com/).**

7.7. Duration and Timing

Your next decision is **how long** you want your auction to continue. On eBay, for example, auctions can run three, five, seven or ten days. Most of them last a week.

One thing I can personally attest to, however, is the importance of the **time of day.** I live in the Eastern time zone, and I submit my auctions around 9 P.M., my time. By this point, most folks on the West Coast are home from work. With my 9 P.M. submission, I can effectively "reach" both sides of the country.

If you have a hot item, and there is any sniping, it will occur near the end of the auction. You want the **biggest** possible audience for that event.

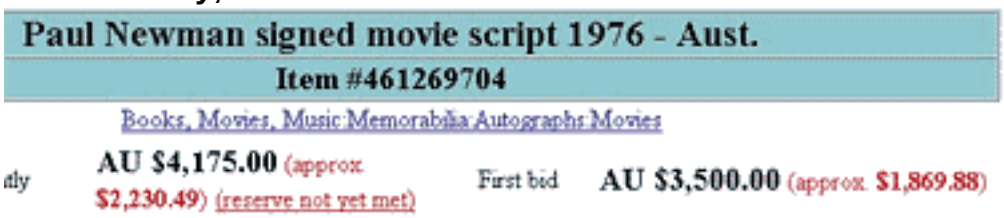
7.8. Do You Want to Sell Internationally?

The two biggest auction sites, eBay and Yahoo, have sites in multiple countries. Paying and shipping between different countries can sometimes present special problems. Decide in advance where you are heading with your Net auction business.

Sometimes items are listed on the sites of more than one country. For example, here is a script from a Paul Newman movie, listed by a resident of Melbourne, Australia.

First, a listing on eBay Australia...

Then on **eBay,** United States...


Paul Newman signed movie script 1976 - Aust.
Item #461269704
Books, Movies, Music:Memorabilia:Autographs:Movies
AU $4,175.00 (approx $2,230.49) (reserve not yet met)
First bid
AU $3,500.00 (approx. $1,869.88)

- **International Payment**

"How much do I owe?" The first problem is figuring out prices in another currency. eBay has a really terrific **Universal Currency Converter** at…

http://pages.ca.ebay.com/services/buyandsell/currencyconverter.html

It works beautifully. Simply insert the amount and highlight your own currency on the left. Put the currency you want to know about on the right. Click your mouse and you have an answer.

- **Transfer of Money Safely Between Currencies**

Fortunately, there are some payment options which are worldwide…

Visa
http://www.visa.com/

American Express
http://www.americanexpress.com/

Master Card
http://www.mastercard.com/

These three biggest credit card companies accept payment all over the world.

Western Union
http://www.westernunion.com/

Western Union will send money orders all over the world.

In addition, all four of the companies above will accept online payments. So a buyer in Thailand can pay in bahts and a seller in Austria will receive her payment in schillings. What happens with sellers who don't accept credit cards? American Express will send money orders that are good anywhere. PayPal can also handle international transactions.

Sellers and buyers can, of course, sell on the eBay and Yahoo sites of other countries. A German is certainly free to sell on eBay Japan and depending on his merchandise, may have a strong marketing reason to do so.

Anyone wondering about whether they want to participate in international auctions might want to check out eBay's **International Chat Board** at...

http://chatboards.ebay.com/chat.jsp?forum=1&thread=41

Australia:
http://cgi3.ebay.com/aw-cgi/eBayISAPI.dll?ViewBoard&name=australia

Canada:
http://cgi3.ebay.com/aw-cgi/eBayISAPI.dll?ViewBoard&name=canadaboard

Germany:
http://cgi3.ebay.com/aw-cgi/eBayISAPI.dll?ViewBoard&name=ebayforumde

UK:
http://cgi3.ebay.com/aw-cgi/eBayISAPI.dll?ViewBoard&name=ukboard

These are people who have actually done international transactions and they are open and frank about the benefits and problems.

Think through your transaction before you list anything. When you are testing, it is OK to make only a small amount of money at Net auctions or even break even. But that is definitely not the **long term goal** of participating in auctions. You want a high profit-generating business.

You are on your way to becoming a really sophisticated seller. And with some simple marketing skills, **your income…**

…will skyrocket! OK. Let's keep blasting forward…

8. Critical Marketing Skills

Think of your **auction listing** as your "Web site" and your sales copy is your Web site salesperson. A successful salesperson knows how to "read" her customer... how to put herself into the mind of her buyer.

By doing so, she is able to discover what her buyer really wants -- and then provide it.

In order to succeed in auctions, you have to do the same thing. Know what your customer wants and then speak to him or her on a one-to-one level. If you are thinking that you can't do this, I can assure you that it isn't that difficult.

The simplest, easiest method to figure out what your customers want is to **constantly study winning and losing auctions!**

Often two sellers will offer identical or almost-identical products, but one will be a smashing success and the other, a dismal failure. Whenever you find such a situation, examine the listings carefully to understand the difference.

For example, I auctioned some cookware, and the results were just OK. I relisted the item with one adjustment to my previous ad -- I put the retail price in the headline. This time it was a smashing success. Obviously, my buyers wanted a bargain.

Where did I get this idea? Simply by studying some successful sellers. You don't need to be a marketing genius constantly inventing clever ploys. All you have to do is figure out what other successful people are doing and **adapt** it to your own sales, keeping in mind **your target customers' needs and wants.** Believe me, when you start becoming a power player, you will be noticed by many people… and they will start copying you!

Competition is keen. With millions of available items to bid on, you must capture the **attention** of buyers if you plan to succeed. And that's not all. You have to be able to answer that all-important question in the buyer's mind, "What's in it for me?"

Distinguish your auction listing from your competitor's by mastering the following marketing skills…

8.1. Get Some Attention!

The most critical “attention-grabber” is the **headline or title** of your auction listing. You have to grab your customer’s attention and make them **want** to read more.

Whenever we want anybody to do anything, the first question that comes to their mind is “why?” If we don’t have an answer, we aren’t going to get the response we want. “Because I want you to” just doesn’t cut it and you won’t get the sale.

One important marketing principle states that “perception is everything.” What practical value does a statement like that have? It tells us that price isn’t really the issue. It’s what a buyer believes about the product and its **benefits** that matter. She buys, or does not buy, based on this **perceived value.**

Not quite convinced? Here are some examples to ponder...

Do you know about those little strips that are worn on the nose to breathe better and prevent snoring? They are also manufactured for horses at $12 each for a one-time use. Horse-race owners cheerfully fork over that kind of money because the owners believe that their horses will finish second instead of sixth, if they have their own strips.

“USA Today” wrote a story about an artist named Christine Merrill who will paint a portrait for you for a mere $12,000. One small detail needs to be added. Ms. Merrill paints portraits of dogs. There are many such artists available. How about a painting of your beloved parakeet for a bargain price of only $7,000?

A magazine recently ran a story describing how many people will cheerfully spend $50 to go out to dinner but refuse to spend $30 for a bottle of vitamins. If these people were convinced that they would live an extra ten years in perfect health if they bought the vitamins, do you think they would buy?

If you are able to meet the **wants** of a customer, you will make the **sale.** Price is not **the** deciding factor in most cases.

It doesn’t matter if you are selling winning tickets for a $100 million lottery at 50 cents per ticket if no one knows about it. Advertising people learn immediately that the headline is **THE** most important element of any ad. And that is what

you are doing with your auction listing -- **advertising.** Your headline or title is a teaser. You want folks to take the time to read about your sale.

For great role models, pay attention to radio and television teasers. One of my personal favorites was a shrill radio voice announcing frantically...

```
... entire continent sinks beneath the waves...
... gigantic death tolls...
... stay tuned for details at 10:00.
```

After waiting with bated breath, I discovered that this story was about a scientist who claimed he found absolute proof of the existence of the lost continent of Atlantis!

Think of the daily newspaper. Most folks scan the headlines as a way of deciding which stories to read. In fact, the majority of the public reads little else when deciding whether or not they are interested in a particular submission.

Marketing experts know that changing the headline of an ad can increase its power exponentially. Many advertising gurus recommend writing at least **100** headlines for any ad before making a final choice. As auction power players with hundreds of items for sale, we cannot possibly take the time to do this for every item. But we can master the key principles to make listing titles or headlines more powerful.

The very best way to learn to write headlines is to refer to **Make Your Words Sell!,** an e-book co-authored by Joe Robson and Ken...

Make Your Words Sell!
http://myws.sitesell.com/

There are lots of how-to books on copywriting but this superb e-book teaches you how to become an **e-persuader.** It shows you how to write effectively on the Net and persuade your potential customers that you can solve their problems.

Joe and Ken reveal a staggering statistic. Up to **80%** of your readers will only read your opening headline! This is even more true on an auction site where the page is covered with the headlines of your competitors. You have only a second or so to grab the potential customer while her eye is traveling down the list of items for sale.

Do as **MYWS!** suggests. Spend **80%** of your time and effort on the headline for an auction listing. How in the world do you write killer headlines? Before you write a word, carefully consider the question that is foremost in your customer's mind... What's in it for me? If you have no answer, you have no sale. You have to understand your customer's **mindset.**

The creators of some of the most famous headlines of all time thoroughly understood this...

```
How I Improved My Memory In One Evening
```

Is there any adult who wouldn't love to possess a more powerful memory, especially through a method that is relatively easy? After all, one evening is pretty rapid progress. Here are some more headlines that answer that **compelling** what's-in-it-for-me question...

```
i) Give Me Five Days And I'll Give
   You A Magnetic Personality...
   Let Me Prove It - Free

ii) The Deaf Now Hear Whispers

iii) This Summer The West Is Yours
     For As Little As $827 And Up

iv) When Lisa Cooper Sold Her Mother's
    Jewelry For $12,000, She Made A
    $4,000 Mistake. VISIT (merchant)
    AND YOU WON'T MAKE THE SAME MISTAKE
```

If you have an interest in travel, are deaf, have jewelry to sell, etc., wouldn't you be interested in these headlines?

8.1.1. Top 7 Headline Types

Make Your Words Sell! explains in detail the 7 most successful types of headlines. Examples right off the pages of eBay will illustrate each type...

• Promise a Major Benefit

```
Double Your Computer's Speed For Only $5.95!
```

• Ask a Question

Whenever we create curiosity, we tempt our customer to read further...

```
Lose 80 Pounds In One Month? Guaranteed?
```

The question headline isn't as common on auction sites but there are lots of ways to create curiosity...

```
Lost 85 Lbs - Husband Now Attacks Me - I LOVE IT!
```

• Offer a Solution to a Problem

This is the pain and gain headline. By offering your customer a solution, she automatically recognizes her problem...

```
Stop Snoring With Snorenz - Saves Marriages!!
```

• Give a Warning

```
If You Have A Pre-Schooler, You Need This!
```

This headline creates anxiety, and the anxiety grows if the customer doesn't bother to read more.

• Flag Your Target Customer

```
Build & Repair Computers Like A Pro!
```

• Use a Testimonial

These kinds of headlines are rare on auction sites except when used for selling work by famous people...

```
Ted Williams personal model signed Bat
```

• News Announcement

You can find an occasional headline that follows this format on auction sites...

```
You Read About 'em – Now Get 'em! STATE QUARTERS
```

We all like to be up-to-date and informed. This type of headline feeds that desire.

8.1.2. Turn a Limitation into a Plus

Be aware that there is a **letter limit** for headlines. You don't have the luxury of writing as you want. On eBay, for example, the title cannot be longer than **45 letters.** Words must be concentrated.

A key strategy is to make your headline **specific.** For example, which do you think is better?...

```
Signed King First Edition - Only 13 in World
```

or...

```
Really Cool Book - WOW!!
```

Not only do you want to provide **information**, but you also want to **qualify** your audience. For example, there are many kinds of dolls. If your doll is bisque, and the buyer hates bisque dolls, it is better for her to know it right away.

The following phrases can do wonders for your listing, so use them often (but only if they're true, of course)...

Hard-to-find	Rare, very rare
Almost new, like new	Only slightly used
Old, very old	One-of-kind
Vintage	Primitive
Unique	Well loved
Pristine	Unusual

In **Make Your Words Sell!,** Joe Robson proposes the theory that certain words and phrases are imprinted into our subconscious. He suggests that the imprint becomes so irresistible that, under certain conditions, we **automatically** respond to those words. Joe calls these words **"Automatic Response Words"** and by using them in your headline or body copy, you can dramatically increase your sales.

Joe provides a "reference list" to get you started. It's a great resource tool for your auction business.

http://myws.sitesell.com/

8.1.3. Bypass the Hazards

Good copy does not just happen. It takes **effort** and an **awareness** of what works and what doesn't. Here are nine known writing hazards to bypass...

1) Do not to use all caps, even though many auction sellers do use them. Net users tend to interpret this as screaming or shouting. Basically, it marks you as an amateur. Sometimes it's more powerful to capitalize just one word.

2) Make every word count. If you're listing in the Beanie Baby category, use your 45 spaces to describe which baby it is. There is no need to say "Rare Beanie Baby." Your customers already know what it is.

3) Stay away from silly words like Wow! and L@@K! which might indicate to some readers that you have nothing of real value to say.

4) Always, always check spelling. It is amazing how often misspelled words make it to the headlines. It's sloppy work and creates a poor impression. How

well can a seller know his merchandise if he can't even spell it correctly. (How did we evre liv without Speel Chek?)

5) Avoid the use of well-known brands, if your item has a more obscure name. For example, an infamous headline stated... Croc handbag, NOT Prada, Gucci, Kleinberg-Sherill. Customers may resent this tactic... and an annoyed customer doesn't buy.

6) Do not use offensive language.

7) Be professional. If you only use 36 spaces, avoid the temptation to fill the other nine spaces with all kinds of *#@! symbols because it will annoy people!!!! Right???

8) Be honest. Veteran auction users become annoyed if you make extravagant claims for your item. They will decide for themselves if they can live without it.

9) Avoid mixing capitals and lower case letters in odd ways. Too bad no one mentioned this to this seller, who is very fond of writing her headlines this way. Decide for yourself if the headline is harder to read than the regular way of writing...

PriMiTiVe YuMmY CinNaMoN BuN, TiN & FiXiNs!
Item #440198282

8.1.4. Two Tips for Strength

Make Your Words Sell! outlines several proven copywriting techniques to make headlines stronger. Here are two that especially apply to auction site headlines...

1) Don't try to be clever or cute -- A headline needs to **immediately** attract a qualified customer. Your visitor must be able to clearly understand what you are selling – unlike in this case…

My Wife DIVORCED Me When She Saw This CD!

2) Be positive, rather than negative -- Have a Perfect Golf Swing Like TIGER WOODS! If you are a golfer, wouldn't you love to swing like Tiger? Isn't that more powerful than something like... Don't Swing In Your Usual Doofus Way – Buy Our Product!

8.2. Provide High-Value Content

Hurrah! There aren't as many space limitations in the content section as the headline area. But that doesn't give you permission to drone on forever.

To create high-value content in your listing...

1) Be specific -- It is crucial to be specific with your words. What kinds of details are important? The answer depends on what you are selling but let's examine some possibilities...

• Your item was created by a designer or an artist or a company that is well known. If you have a vintage suit that is by Coco Chanel, or a handbag by Judith Liebner, you will command a higher price if you let your customers in on the information, rather than saying, "suit" or "purse."

• Information and specifications like model numbers are important with technological products.

• Manufacturer's name -- Many customers search for items by brands, rather than by category. For example, my son has a collection of Coca Cola signs. If you were selling tin advertising signs you could legitimately include them in several categories. With the Coke brand name, he can find them regardless of which category the seller chooses.

• Characteristics (such as color, size or shape) -- That gorgeous basket may not fit into the allotted space in a buyer's sunroom.

• Manufacture date

• Provenance -- Provenance is the ownership history of your item. Perhaps it's been in your family for six generations.

• Technique -- Are those doll clothes from a manufacturer, or were they hand-made by Aunt Jill?

• Material -- For example, some people will buy shutters based totally on looks. It doesn't matter if they are a laminate or plastic. Others, however, not only insist on wood but on a particular kind of wood.

• Country of origin -- This depends on what you are selling. A Swiss watch and Dutch chocolate mean something to many.

The more information you provide in your description, the fewer questions you will receive from prospective customers. The fewer e-mail inquiries you are required to answer, the more time you have to list other items, and generate income.

2) Be positive -- Just like in your headlines, **accentuate** the positive. Your customer needs a reason to buy from you. You want her to be excited about your 1959 Elvis record.

A popular advertising slogan says, "The more you tell, the more you sell." It's a good rule-of-thumb to follow as long as you keep your description to a reasonable length. Give your reader a break. Leave out all the "You've got to have this or your life is ruined" stuff.

3) Tell the truth about any negatives -- Your customer must have a clear description of what she will be buying, both positive and negative. Be straightforward and honest with your information.

Deception is counterproductive for you and your customer. The description "unique" wastebasket does not really prepare your customer for its Statue of Liberty design. Provide the necessary details at the beginning and avoid the hassle of selling it and ending up with a return. Or worse -- an irate customer who blasts your name on all the auction sites.

4) Never waste advertising space -- Always promote your other auctions. **Always!** The listing below illustrates this well...

LAB GENERATED EMERALD EARRINGS, 2 Carats total weight. Classic solid 14 karat yellow mountings, with secure push backings. Also available in SAPPHIRE, RUBY, AMETHYST and DIAMOND. Click on the link to bid on the respective color.

Clicking on the words Sapphire, Ruby, etc., takes the customer directly to another auction. Further down, another opportunity to buy is highlighted...

View My Other Auctions For Other Great Deals!

5) Take advantage of your reputation -- Promote yourself. eBay has power sellers who sell at least $2,000 a month. This elite group can use the logo below. You can feel reasonably certain that these power sellers will be fair. After all, are they going to risk that kind of income because they get in a dispute with a single seller? These sellers are professionals.
If you get to use this logo, display it on every listing...

The star insignia is another “bragging” tool...
A yellow star = Feedback Profile of 10 to 49.
A blue star = 50 to 99.
A turquoise star = 100 to 499
A purple star = 500 to 999
A red star = 1,000 to 4,999
A green star = 5,000 to 9,999
A yellow shooting star = 10,00 to 24,999
A turquoise shooting star = 25,000 to 49,999
A purple shooting star = 50,000 to 99,999
A red shooting star = 100,000

6) Be friendly and professional -- Be friendly. Wish your customers well and welcome any questions or comments they might have to share. Answer promptly. A twenty four hour turn-around should be the minimum time on the Internet. A response within two or three hours is better.

7) Be careful with your grammar and spelling -- Forget what your English teacher said... sort of! You are writing to sell, not receive a grade. Be creative. Make your reader want to read your content. But there are limits. Spelling errors and garbage sentences detract from your message. The shorter the message, the more prominent the mistake...

10 PEICES OF MEMORBILIA ALL NEAR MINT
Item #430516601

8) Don’t make extravagant claims -- Recently, I heard a famous marketing person confidently explain, “Just tell them what they want to hear.” Really bad advice, unless it’s absolutely true. How credible is this ad?...

Your own eBay business - make 150K/Year!
Item #434740837

SIDEBAR

To learn how to write powerful ads, there is nothing better than **MYWS!** Use its innovative and powerful **SWAT technique** to generate the **maximum**

number of benefits possible for your item. From that list, you can identify the top benefits for your customers **(http://myws.sitesell.com/).**

8.3. HTML Polish

Personally, I approached the whole subject of HTML, trembling with fear. I have to admit that I am technologically challenged with zero interest in learning anything about the computer. I only learn something if I need to do a specific task and care nothing about why it works. Does this match your feelings? Rest assured then -- if I can do it, anyone can do it!

If you are fascinated by computer technology, you probably don't need this section. Chances are you already know HTML. **Feel free to skip to the next section.**

HTML stands for **HyperText Markup Language.**

Master HTML and you will be able to create those classy item descriptions with colors, various sizes and spacing. Otherwise, your ad will be in black lettering and it will be one long paragraph. There will be no spacing between features...

Over the last eight years I've made over One Million Dollars locksmithing and you can too! Although this book is based on the car opening business, it contains all the secrets of my success. If you've ever thought of becoming a locksmith this book will tell you how to go about it and how to make the big bucks in this very lucrative business. More than 50 Million cars had to be opened by professional lockout services last year alone...Learn the insider secrets of the trade. Getting customers, buying quality tools, and all the knowlege you will need to operate this very lucrative business are in these 150 pages 8.5 x 11 format (car opening techniques are not taught in this manual). Includes supplier list, schools, trade associations and more. Over 25 years of knowlege and experience are combined in a step by step formula to get you started very quickly. Your total cost to start this business is less than $300.00 and you can have this business up and running in less than one week! This information is not

When I was first doing my research, I noticed that often those items with HTML code sold better than the ones without it. See the difference...

Nikita ROSE GARDEN
49 Piece Translucent
Fine China

What a relief when I discovered that I basically only needed to learn four commands. That's the "up" side. The "down" side is that they must be perfect. There is absolutely no room for error. For sure, when I first saw this language I groaned thinking I would never, ever get it. Or that it would take me hours to write a single ad. And in truth, it was initially very time-consuming. Now it's a snap!

HTML gives you more **scope.** Sometimes a black and white ad works perfectly. Sometimes it doesn't. Experiment for yourself and see what works best for you.

Don't have the time to learn HTML? Use one of the many available HTML editors. I began with Netscape Composer which is free and can be downloaded straight off the Net. I now use **Dreamweaver** and it works perfectly. Once you have the program, you simply click your mouse on "Communicator," then "Page Composer" and simply begin typing! The program writes all of the code for you! All you have to do is cut and paste your ad right onto your auction site. It's wonderful!

You can add even more refinements like a colored background and pictures...

MAKE YOUR NET AUCTION SELL!
This is a fun ad that I created for all you
brilliant
people who bought MYNAS!
You can do all kinds of super things with your auction ads!

There are several HTML editors on the market (**Adobe Page Mill, Claris Works Home Page, Front Page** and **PrintShop**). You can also check to see if your word processing program has a built-in HTML program.

SIDEBAR

No HTML knowledge is required when you build your Web site with **Site Build It!.** You just write the content and **SiteBuilder** builds the page for you. Or you can use your favorite HTML Editor, if you prefer. **SBI!** is compatible. **Site Build It!** takes care of all the technology so that you only have to focus on your business -- your first priority. **http://auctions.sitesell.com/**

8.4. Add a Picture

Can you auction an item without a picture? Yes, but I definitely wouldn't advise it. Do some research yourself to see if items without pictures sell as well as those who have them.

Some items absolutely **require** a picture. Can you imagine buying jewelry or art without seeing it? If you are selling a CD or a book, it may not be as crucial.

Here is one of the pictures that I used with the Fine China headline from above. I took this picture right off the Internet from my supplier...

There are two other ways to add pictures to your merchandise listing. The first way is to use a regular camera and then scan your developed photograph. If you are getting a picture from printed material, a scanner is the only way to put it in your listings. The second way involves a **digital camera.** A digital camera has the advantage of being instant with no film development required.

If you do not have a scanner or a digital camera, or one you can borrow, don't buy them until you have done a few auction deals. Wait until you are sure you want to play the auction game and build a business. Once you definitely are on your way, I truly think one or the other is indispensable.

8.5. Eliminate Mistakes

During my novice period in the auction business, I put two different books up for sale. Then I went to look for them. First lesson that I learned? An auction site doesn't have your item entered three seconds after you submit it. Half an hour later, I proudly checked on both of my items, and sure enough they were

on the Net. However, to my horror, I had the **same** picture for both of them. Panic! I had to call my computer guru to the rescue.

To prevent this same mistake, always review your work before you submit it. It takes very little time and it will save a lot of repair work later on. Ask yourself...

- Would I be interested in my item based on the title? Is it exciting, attention-grabbing?

- Is my description honest? Is it error-free or does it say Ole Elvs Presly Rekord?

- Have I included information on shipping and handling?

- Is my picture clear and sharp? Will it help sell this item?

- Do I sound friendly and approachable? Would I want to do business with me?

This seems tedious, especially at first, but you will save yourself grief later on. Always keep an important objective in mind. **Make the most money in the least time.** Whenever you have to go back and make corrections, or answer questions on obvious points, it costs you precious time. And you know the saying... Time is money… your money.

8.6. Repair Overlooked Errors

I would like to pretend that I have been at this game so long that I never make “misstakes” any longer. Alas! It ain’t so...

1) Do corrections **before** receiving a bid. For example, check...

i) The title of your auction
ii) The item category
iii) Anything at all about the description
iv) The URL of your photo
v) Acceptable payment terms or shipping information

There is a link on the auction site that says “Revise.” Just follow the instructions.

2) Do corrections **after** receiving a bid. Basically, there are only two general changes that can be added after you receive your first bid...

i) You are allowed to change the **category.** For example, you put your vintage Spiderman comic in the "Action Figures" category and then decided it would do better in "Comics."

ii) There were repeated questions from potential customers on the same point and you decide to **expand** your item description.

iii) You can withdraw your item if you receive **new** information. For example, you discover that Aunt Mary's etchings are actually reproductions, even though you heard all your life that they are originals. In the meantime, all your buyers are bidding for originals and the price is much too high for their actual value.

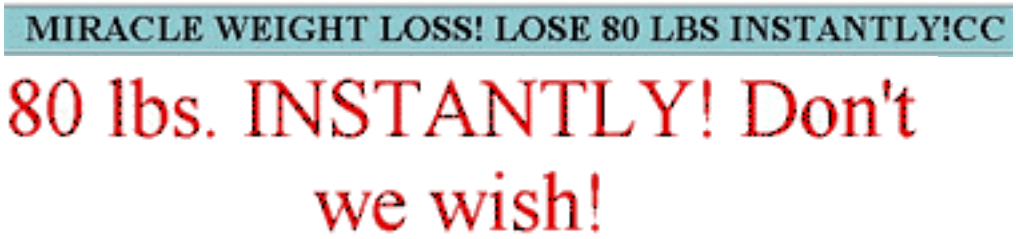
If this ever happens, I would strongly advise you to contact every single bidder, explain what happened, and if possible, offer them something as a consolation. In that way, instead of angry people raving about your ineptness, you will have delighted fans raving about your **honesty.**

8.7. Learn From the Best

It's time to look at some "real life" examples from sellers who have mastered the art of auction marketing. What do they do that makes them so successful? I am using ads from the intensely competitive weight-loss section of eBay. There are lots and lots of all-natural super-weight-loss claims to be found on the different auction sites. Some of these sit for seven to ten days with no bids while others are swamped. Why?

The difference is in the listings. The products that don't sell may be as good or better than those that do. But customers judge solely on the **content** of the copy which is all they have to go by. So let's learn from them. What principles do these successful sellers use?

1) Use a clever listing title -- Here is an ad that on the surface seems really foolish. When I first read it, I had a negative reaction ... "Who is dumb enough to believe they will lose 80 pounds right away?"



The seller makes fun of the extravagant and ridiculous claims that are made by so many. Immediately, we consider her a sensible person. She isn't insulting our intelligence.

2) Remind your customers of the pain -- Most people have very negative ideas about a weight loss project... of course, the seller is going to **save** all her customers from this strenuous exercise.

3) Use psychology to sell -- Talk about great psychology. Imagine the overweight person, trapped in layers of fat, worrying about being too thin, or losing too fast. This "warning" is really a great selling tool...

Warning!

Do not use this product unless you are at least 20 lbs. overweight! You will lose to much weight too fast.

("Too" bad this seller didn't review the listing first.)

4) Be smart and use stories -- Anyone who wants or needs to lose weight will identify with Jeff in the following story. A lot of the customers will have tried many of these methods themselves.

My name is Jeff Weinstein. Almost all of my life, I have been overweight. I tried everything (I had no choice - my mother took me to diet doctors, hypnotists, surgeons and just about anyone else who claimed they could make me lose weight) to no avail. You name the fad diet, I tried it - including the "rotation diet" (diet 4 days a week, pig out the rest of the time), "AYDS" (diet candy popular before the AIDS disease became a problem), hypnotism, the "grapefruit diet" (all you can have is grapefruit - if you want to go off the deep end and KILL people, I HIGHLY recommend this!), the "carbohydrate diet" (all the meat you want, but no carbohydrates - after 3 days I would have sold my soul for an orange!) and more.

The story approach is powerful. Jeff's first-person narrative makes it easy for the reader to connect and feel his struggle.

5) Explain any negatives in advance -- No seller wants irate customers contacting and yelling (well, the e-mail version of yelling) at him. So admit the downside up front…

SIDE EFFECTS???

To be honest, there HAVE been a few side effects. I often experience "dry mouth", so I keep a bottle of water handy. No big deal. Also, during the first day or two I was taking this, I experienced slight (very minor) headaches. I'm not sure why, but again, no big deal. I asked my doctor about this and he said it was fine, and that if it worked for me I should continue taking it. So I have, and believe me, the results have been worth it! And Jennifer (my friend who recommended this to me in the first place) experienced NO side effects. Of course, you should ALWAYS talk to your doctor before you go on any type of diet. Better safe than sorry!

Notice how the seller minimizes the side effects.

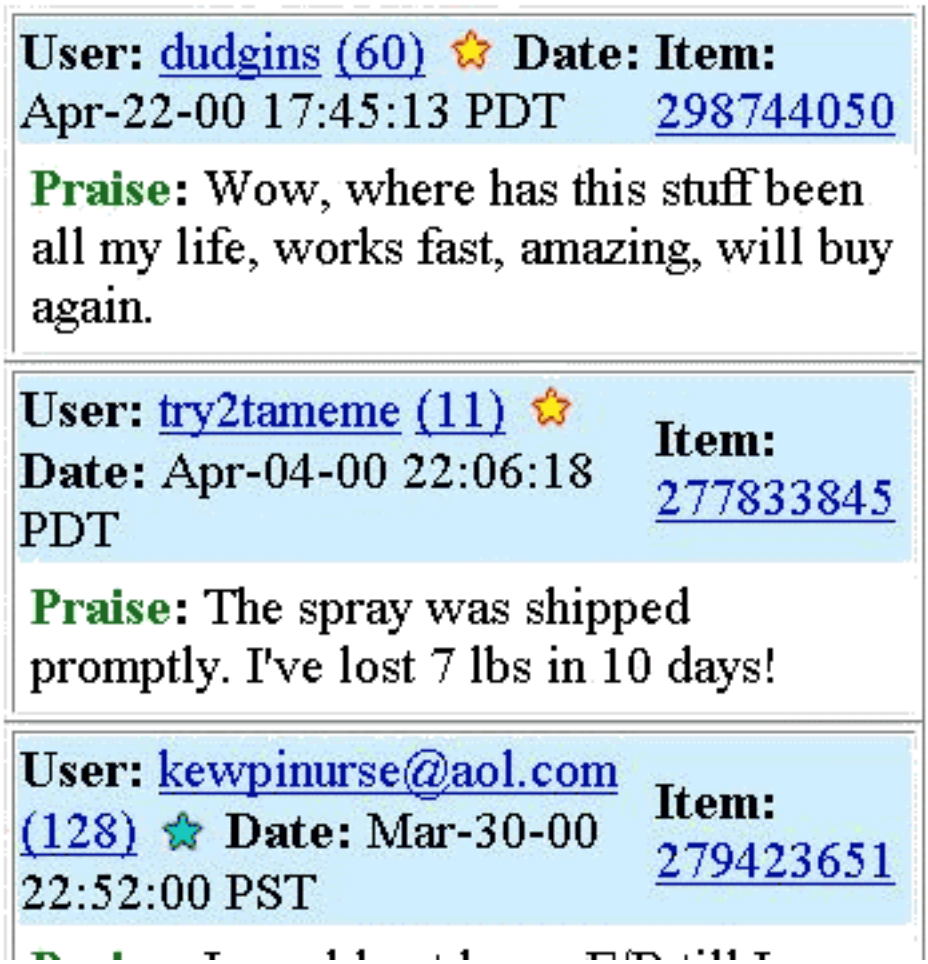
6) Give extra value -- Just look at what Jeff is offering his customers...

WHAT YOU GET:

Each bid is for a 30 day supply (90 tablets) of the BEST QUALITY Lipotropic Metabolizers on the market. BEWARE OF CHEAP IMITATIONS that are being marketed! I am giving you the SAME ONES that **I** USE, not a cheap brand which probably won't work! I will also send you as a BONUS, my PERSONAL recipes on a disk, along with my PERSONAL weight loss tips. Please understand that I CREATED each and EVERY receipe on this disk - I have ZERO TOLERANCE for food that does not taste good! And each and every tip is EASY to follow - no surprises here! You do NOT have to eat like a bird to lose weight! There is no reason to!

In addition, the customer receives recipes and weight loss tips.

7) Harness the power of endorsements and testimonials -- This strategy is effective because it convinces potential customers that these people are real. An example of some testimonials...


User: dudgins (60) Date: Item:
Apr-22-00 17:45:13 PDT 298744050
Praise: Wow, where has this stuff been all my life, works fast, amazing, will buy again.
User: try2tameme (11)
Item:
Date: Apr-04-00 22:06:18 PDT
277833845
Praise: The spray was shipped promptly. I've lost 7 lbs in 10 days!
User: kewpinurse@aol.com (128) Date: Mar-30-00 22:52:00 PST
Item:
279423651

8) Use every publicity opportunity -- eBay's home page asks for your location. I have always given dull answers like "Atlanta, GA." Here's a much better answer where you promote your Web site everywhere you can!

Location **www.online-healthstore.com**

9) Take advantage of customer impatience -- Your customers don't like to wait. One seller takes this into consideration...

I WILL ALSO SHIP THE ITEM BEFORE THE AUCTION IS OVER. ALL YOU HAVE TO DO IS PLACE A BID AND THEN EITHER PAYPAL ME THE PAYMENT OR EMAIL ME AT THE ADDRESS ABOVE FOR FURTHER INSTRUCTIONS. BONUS 3DAY/2NIGHT VACATION FOR ALL BIDDERS. FREE!! CHOOSE FROM OVER 20 CITIES ON US!!!

10) Learn from your mistakes -- I have watched poorly selling products appear again and again, with no significant changes in results. We have seen others that meet with dramatic success. Why in the world don't the sellers study the ads of those who are flying high, and then change their methods? I honestly have no idea. Most don't.

Be sure not to make this mistake! If you fail, and someone else is succeeding, your best remedy is to study the approach of the successful. You want to look **professional** at all times. Take Net auctions seriously. It is critical that you pay attention to details.

8.8. Always Have A Plan B

What if an item just doesn't sell no matter what you do? Don't panic.

I read an interesting story in the Wall Street Journal about a couple who owned a gift shop in an economically-depressed town. Not only couldn't they sell their merchandise. They couldn't even give it away! They discovered eBay and are now, according to the "WSJ," making $600,000 a year. They say that only 40% of their merchandise sells the first time around.

If an item doesn't sell, you have several choices...

1) Re-list it. When I first looked at eBay to sell an angel coin, I had a list of seven possible categories. If you are selling a one-time item, this experimentation may not be worthwhile. But for a repeat-seller you need to know. Simply changing **categories** can make a huge difference because your customer base is so different.

2) Lower the price. Knowing the value of any object is an art, not a science. Your best method of research is to look at similar items but even that does not guarantee exact conclusions. Sometimes, we have started too high and must make the choice of making less money or no money. Just because it "should" sell for $100 doesn't mean that anyone is willing to pay that amount. In other words, be **flexible** in your assumptions.

3) Try a different auction site. If you are selling on a general site like eBay or Amazon, try a specialized site, or vice versa. Those gruesomely expensive custom speakers that you are selling may not be appreciated by the general public. In contrast, someone on a specialized site might be drooling for them, ready to mortgage the house and take out a bank loan.

As well, some sites just don't have lots of traffic. Others seem to cater to more inexpensive items and your merchandise is too costly. There are a lot of differences among sites and you may have to experiment to find the best match for your interests.

4) Store it for awhile and try again later. Hold it for a period of time and try again. Rafts and snowshoes definitely have seasonal value. And fads come and go. Ask the inventor of the hula hoop!

5) Group it with other merchandise. Include your unsold item with some other merchandise, as part of a package. Many auctioneers can make more money for three items included as a bundle than they make for the three sold separately. And many buyers will purchase items because there is something in the group that they really want.

It is a standard practice in the mail order business to include a lot of items for a higher price because weight sells, believe it or not. Entrepreneurs are taught that there is more money in bundling than in "cafeteria" selling.

6) Add extra value. For example, I sold some gardening items by throwing in some recipes for natural pesticides. The printing only costs a few extra cents. Since I already had the recipes, there was very little extra trouble for me.

7) Cautiously experiment with auction site options. I recently went to eBay's **"Automobiles: Accessories: General"** to list an item. There were over 14,000 items listed in the section I was considering. What are the chances of someone finding my one little item? In this situation, the only way to really test this merchandise was to either pay extra to get more attention or to pass. I choose not to list this merchandise due to my limited knowledge of this category.

However, it's different if you feel reasonably confident that you have a product that will sell well if only somebody becomes aware of it. In that situation, you may want to take the chance and pay for a more expensive listing option.

8) Realize that you are going to have some flops! I have sold items that I never really thought would sell, and other "sure things" that were total flops. I have given merchandise away as prizes, donated it to charity for tax write-offs and sold it at flea markets or bazaars.

Keep in mind that the market is inexplicable. There are items which sell really well at one time, and very poorly at others. Who knows why. Even though we should try to understand why an item sells, or doesn't, there is simply just no way to know for sure.

About those mistakes...

When you make a "mistake," you can beat yourself up, berate yourself and call yourself all the names that are synonyms for stupid. Or you can use it as a step towards making your business more profitable, more successful. If this sounds ridiculous, consider that there are two steps involved in turning a mistake into a **triumph...**

First, re-label mistake and call it **feedback.** This takes all the emotional baggage out of the equation. "Feedback" is an emotionally neutral word to me, and if it isn't that way for you, find a similar word that is non-judgmental.

Second, calmly **examine** this merchandise to figure out why it didn't sell. But always keep your goal in mind -- to have fun, make money and create thrilled customers who will come back and buy from you, again and again. In this way, your unsold merchandise helps you to see what **modifications** you need to make in your methods.

Perhaps you have heard the people using the analogy of the guided missile? Apparently, it is off-target about 95%+ of the time. It merely corrects itself and thus finds its target. In same way, consider every item you put up for sale as a **step** towards your success. Sometimes, you may have to make a correction but that's part of doing business.

Just keep your **focus** intent on your goal. And you will achieve it.

OK. Your auction listing did its job perfectly. It attracted lots of targeted customers and you have your...

9. First Sale!

Congratulations! You just made your first sale! If you're like me, you checked your first listing about every two and a half minutes. The first time I saw an actual bid on one of my items was a super thrill. Wow! This stuff really works!

We know in our minds that people make money on auctions but it's like looking at a picture of a piece of cherry pie. There's nothing like the real thing! So now what happens?...

9.1. First Contact With Your Auction Site

You will receive an **e-mail** from the auction site. Here is one I received on an information product that I sold…

Congratulations - this auction successfully ended.

tem Title: Instant Money Course 5 + Expensive Bonus (Item #258317269)

Final price: $52.00
Auction ended at: Feb-17-00, 19:32:23 PST
Total number of bids: 9
Seller User ID: Sydney
Seller E-mail: auctionknowhow.com
High-bidder User ID: Albert
High-bidder E-mail: Albert@stic.net

Both buyer and seller will receive a message with instructions to contact each other within **three** days.

9.2. First Contact With Your Buyer

If you want your transactions to be 100%, A+, perfect, make sure that you communicate **completely** and **clearly** with every single customer. I simply assume that everyone I deal with is a complete novice with no experience. Of course, this isn't the case at all but if I make this assumption, everything usually goes well.

Every communication with every buyer should always include the following information…

1) Congratulations -- It isn't necessary but it sure is smart. The friendlier and more professional you are, the better you will do in the auction business.

2) Purchase Reminder -- Always specify what your customer bought. Many people deal in multiple auctions and may have bought or sold dozens of items that week. Remind your buyer of who you are and what he bought from you. (He might be asking himself -- "Who is this guy and why should I send him $131.95?")

3) Item Number -- Include the number of the item that was **issued by the auction site.** There are several reasons to do this...

i) It will help your buyers to give you feedback because it is done by item number.

ii) Many auctioneers keep **comprehensive** records. This type of organization pays off, especially for tax day. In addition, they are able to get confirmation from the auction site, if necessary.

4) Price -- You surely don't want any mistakes here.

5) Payment Options -- Even though those were included in your item description, always review them. Many people forget and this is especially important if you are going to hold a check for 10 days.

6) Your Address (if applicable) -- The buyer needs your mailing address so that he knows where to send payment. Many people operate on the principle of the-less-the-world-knows-about-me-the- better. Accordingly, they have a mailbox to receive payments. Others don't care. It is strictly a matter of **personal preference** but it is one that you should consider now.

Needless to say, this is not an issue if you are using credit cards or third party payment methods.

7) The Cost of Shipping and Handling -- You may or may not have included the actual amount in your auction listing. If you did, repeat it. If you have not, tell them the cost now.

Don't know how to figure it? Don't worry, the **next chapter will explain this in detail.**

8) Insurance -- I always let the buyer decide if he wants to pay for insurance because he is the one paying for it (or not). Generally, though, the more expensive the item is, the more likely the buyer is to desire insurance. However, if the buyer does not pay for insurance, you will need to decide, in advance, what your policy will be if the package is lost or damaged.
This can be a real sore spot between buyer and seller. The seller may feel that if the buyer hasn't paid for insurance then the responsibility is the buyer's.

On the other hand, how is the buyer to know that the package was actually sent?

My resolution works this way -- if I am shipping Priority mail, I automatically pay for **tracking.** In this way, I can prove that the package was mailed and I am relieved of responsibility.

However, if I am not mailing priority, the issue becomes a little stickier because no tracking is available. In the past, I have mailed items and crossed my fingers. If the item isn't terribly expensive, I will replace anything that is lost in the mail. If the merchandise is more expensive, I insist on insurance or state loudly and clearly that I won't take responsibility for mailing.

It seems as though the obvious answer is to simply raise the price to cover the cost but remember that the more your merchandise costs, the less likely you are to sell it. I think the best compromise is to pay for tracking, where available.

9) Buyer's Address -- Ask the buyer where he wants you to send his new prize. Some pros go ahead and wrap the package for mailing once the transaction is completed. Others do not because it is always possible that the buyer may not follow through and send their payment. In that case, you will either have to redo the label, or put "post-its" on the package so that you will know what it contains.

Those wrapped boxes...

...all look alike after awhile.

10) Inclusion of the Item Number With the Payment -- If your buyer is paying with a check or money order, you might ask your buyer to please indicate the name of the item on his payment. This can save you buckets of time. If you receive 20 checks in one day, are you going to remember Bill Wilson's purchase?

11) Suggestion to Exchange Feedback -- Always suggest reciprocal feedback. The more times you suggest this, the more likely you are to get it.

9.3. Critical Record Keeping

If you are just going to do a sale here and there, you probably won't need an extensive record keeping system. For instance, let's say you sell a couple of things a month from your home. Depending on how organized you are, you should be fine.

One summer, I conducted an experiment to see what would happen if I created a **super-organized** system with employees. So I hired my college-age daughter and one of her friends while school was out. It took a short while for them to get the hang of the auction business but by the end of the summer, the profits were flooding in. In my best week, I made $4700+ in **profit**, not gross!

Our super organizational system is what paid off. Two examples show how...

1) I sold a customer a tote bag and she returned it because she decided she wanted a colored one (it was black leather) and I agreed to refund her money. I then received a "warning" message from PayPal because she claimed that I had not sent her a refund. In less than five minutes, I was able to prove that I had sent her a refund. She looked foolish and end of PayPal problem. Of course, I could have eventually proven that I had paid her but it could have been a long, drawn out problem.

2) Another customer won an auction and sent me several messages after the auction complaining about various things. Finally, I told her to withdraw her bid and I wouldn't send any negative feedback. Frankly, I was happy just to be rid of her. Approximately two months later, she sent me a threatening message -- she was about to report me to eBay because I had never sent her merchandise. Again, in a couple of minutes I was able to locate her own e-mail ending our transaction and forwarded it to her. I never heard another sound from her.

The reason for these two anecdotes in to emphasize how **necessary** it is to have an organizational system.

I confess! I am naturally a disorganized, haphazard person. Self-defense has made me get my act together. If you are one of those organized, everything-in-its-place people, this will come easy for you. If you're not, don't despair. If I can do it, anyone can.

To build a successful auction business, you need to get a system going immediately. **Organization** makes a difference...

1) Good service means happy customers -- If you don't keep good records, you will soon be floundering and making mistakes. Not the best way to impress your customers. Ask me how I know? Let me horrify you with some of my mistakes...

I once sent a customer the wrong merchandise! For the sake of good customer relations, I asked him to keep what I sent him and then mailed the correct merchandise at my expense. Sure did lose money on that deal! Another time I received two money orders and didn't know why. Eventually the buyers contacted me but delivery was late and they were less than thrilled with my customer service.

If you have several auctions going, you will soon get lost and make pointless and **expensive** mistakes. Learn from my foolishness and keep comprehensive records right from the very first transaction.

2) Tax Purpose -- Even though there are no Internet taxes at this time, you still have to pay income tax. You certainly want to claim every single legitimate deduction. You need good records to do this so that you will have a complete list of every transaction you have made -- who, what and how much. No last minute rummaging to find the necessary information.

3) Customer List -- You are creating your own customer list. If Joe bought or bid on your antique telephone, he may be very interested in similar items in the future.

4) Legal Protection -- In the event of any future problems, **have all your information...**

... at your fingertips.

For example, George files a complaint with an auction site, or even a law enforcement agency, that he paid you $240 for the Fantasia Sericel but he never received it. If your records are complete, it will take you only moments to find the tracking number. You can then confirm that George's package was delivered, and you are protected! Without records, you may be in a mad scramble to cover yourself and end up refunding George's money, while he laughs to himself about his free Disney memorabilia.

5) Identification of profitable items -- How can you know what merchandise is profitable and what isn't...

... without agonizing over the computer for hours? If your records are good, you will be able to tell at a glance which items are profitable, and which are not. You can also evaluate degrees of profitability. For example, your records will show that with this item your profit is 137% but with another it's 482%. The more **distinctions** you can make, the more powerful your selling will be!

9.4. Five Areas of Key Information

Whatever your system, you need to concentrate your record keeping efforts in **5 areas...**

1) Merchandise

2) Buyer

3) Payment

4) Shipping

5) Customer Relationships

If you really get involved with auctions as a major player, you will need to master a 6th critical area which involves **profitability.** This, however, isn't necessary when you are first beginning.

Know your merchandise. You may be thinking, "Well, duhhhh! Of course I know what I'm selling!" Perhaps you do. But to point out how confusing it gets, think about some of my sales. I have sold briefcases... dozens of times. Not only that, I have sold five different versions on four different auction sites! Perhaps you will do the same, and you get a message from a buyer that begins "The briefcase I bought from you..." Yikes! Which one?

Here is what you must record about your merchandise...

- A **description** of the item
- The **site** where you listed it

- The auction **dates** -- both when you submitted it and the day it sold

- The auction **number** given to you by your auction site -- you can always track an item if you have the number!

Know your buyer. Recently I received a message that said, “Sorry -- (an address).” No name, no explanation, no item description, no nothing. Clearly I had sent this buyer an address request, and he expected me to remember. But, I didn’t. And if you are selling hundreds of items a week, you won’t remember, either. If you get messages like this, what will you do?...

Choice one... you click “reply” on your e-mail, grit your teeth, and ask (as politely as possible) who this person is and what this message is about. Not the greatest customer relationship strategy.

Choice two -- you spend a lot of time looking through all your buyers trying to figure out who this belongs to because at least you have their e-mail address! (Unless they’ve sent the e-mail from a different address. Horrors!)

Before I got organized, I would spend as much time as it took to plow through all my information, looking for the correct address. What an expensive way to operate! Always place a **monetary** amount on your time, based on the income you want to make and the hours you are willing to spend.

You need the following information on your buyer ...

- Name

- E-mail address

- Auction site user name

- Home address

I also suggest that you create a folder in your e-mail program and save messages from your buyers. How long do you save this stuff? I usually save it for about four months but there is no hard and fast rule. I get aggravated with that stuff cluttering up my computer but it’s a prudent practice.

Know the payment method. Were you paid with a credit card, a money order, a check, PayPal or some other way? For example, you might assume that big companies like PayPal or Visa never make mistakes so you don’t have to know this stuff. Wrong! They do make errors and you may lose money if you aren’t paying attention.

- Record how you were paid

- Keep track of the payment date. This is especially critical if you hold checks until they clear. It is very easy to forget to mail when the 10 days are up! I have solved this problem with an calendar and daily reminder. I set my calendar so that on the appropriate day I am reminded to send mail to the customer.

- It isn't absolutely necessary but you might want to **record the number** of the check or money order, if any.

Know shipping details. Customers want their merchandise promptly. And you need to be able to answer questions if Joe sends you an e-mail asking about his package.

- Who was your carrier?

- What date did you mail?

- If your buyer is paying the exact shipping costs, rather than a set amount, or if they are paying extra for insurance, record the cost once you figure it out Several times I have received e-mails from customers that tell me that they have accidentally deleted or lost the shipping costs or insurance charges. You definitely don't want to have to re-weigh and re-figure. Once is enough!

SIDEBAR

A real time saver... since I use almost always use the Post Office, and the fees are set, I have typed them up and keep a copy handy.

- Record any tracking or insurance numbers -- then choose a particular spot in your office and save those receipts! You want to be able to prove you mailed the item. Later, you will want to move those receipts to your tax file. If you receive a check for $50, and $9 is for shipping, you don't want to have to pay taxes on the $9.

Provide good customer service. If you study e-commerce, you will quickly learn that poor customer service is a very costly mistake that many Internet merchants make. And, if you are an auction seller, you are indeed a Net merchant. So it is in your best interests to provide great service. We talk about customer acquisition and retention later on.

Send personalized customer e-mails to..

- contact your buyer after your auction ends.

- notify when you ship an item.

- follow-up

Record feedback. Remember... to get it, you have to give it. So include a reminder to give feedback. I make a habit of giving all my appropriate feedback once a week, usually on Friday afternoon. Doing this every time you receive a payment, or every day, is not necessary. Of course, giving doesn't necessarily mean that you will receive.

Record profits, losses and taxes. Suppose you hold a Dutch auction of 25 calculators. If you don't know all your costs, plus the amount of time you spent on the auction, then how will you know whether you should repeat it? Or whether you should change some of the terms of the auction to make it more profitable?

For example, you might make more money by selling 50 calculators at a time, rather than 75. Or perhaps you need to raise your opening bid. Maybe you'd do better if your auction ended on Monday night rather than Saturday afternoon.

The variables are many but you can't get an accurate picture without **quality feedback.** That is why careful records are a powerful money-making tool. Here's how I tackle this...

• **A monthly tracking feature** -- This enables me to track and view my items by month. I need to see when specific items are the most profitable because some auction months are better than others. eBay states that profits are down between Thanksgiving and Christmas and highest in the the first quarter of the year.

• **Opening price** -- this is a great arena for testing. Experiment with different opening prices and see which are most profitable. Great market research information! If you study opening prices, over time you will get a better feel for how to open your bidding, about whether to use reserve auctions and become skilled in setting a minimum price.

• **Quantity** -- this really matters when you are using the Dutch auction strategy. You need accurate feedback so that you will know to only auction 50 at a time, rather than 500. There is no need to waste money on insertion fees!

• **Closing date** -- You can learn all kinds of information from this. For example, you will learn how long your auctions should be. After all, if you make as much money on a three day auction as a 10 day one, why not receive

your profits faster? You will also learn how to make your buyer contact procedures as efficient as possible. If your auction closed on January 10, and you didn't receive all your money until February 27, you need to re-evaluate what you are doing.

• **End price** -- there is absolutely no way to figure profit unless you know what you received for your merchandise. I have deposited as many as 23 checks in one day. My checkbook will only list the total. Then I have no idea what each individual item sold for -- unless I keep good records.

• **Item cost** -- This is one of the most critical parts of your record keeping! It is crucial to profit and tax records. To figure profits, you need the following information...

1) What is the auction fee, if any?

2) What did the item cost you?

3) What did you receive for the final sale price?

For example, you paid $20 for an item, it sold for $65.30 and you paid $3.90 to the auction. Your profit on this item was **276%!** Not bad at all. And your actual profit on this item was $41.40, which is your taxable amount.

The best advice on this subject is... **don't rely on your memory for any auction information!** Memory may -- or may not -- be reliable if you are only selling two items. Don't waste many precious (and expensive) hours. Ask me how I know!

Your record keeping is vitally important to your success so get organized as soon as you begin trading. Don't try and do extensive record keeping at once, however. Follow the same process as you do with the rest of your auction business -- start small and experiment. Let your knowledge and experience grow.

Now you have to somehow get the sold treasure to your buyer. If you don't do it right, it will cost you a lot of time and money. Here's the smart way...

10. Shipping and Handling

The movement of product to your buyer is a demanding process. Your entire auction business will fall on its face if your merchandise delivery isn't prompt and intact.

eBay claims that between 5 and 10% of all the packages being shipped in the United States are their auction items! An astounding statistic.

Let's see how you can add to the volume...

10.1. Shipping

Most auction items are shipped through one of three carriers -- the **Post Office, United Parcel Service** and **Federal Express.**

In spite of all the bad press about the **Post Office,** it is my personal favorite, hands down...

US Post Office
http://www.usps.com/

The Post Office's Web site is a treasure trove. You can find zip codes (including those extra four-digit numbers which speed up delivery), order stamps and see shipping rates to any destination.

One indispensable item for successful auction selling is a **postal scale.** Mine is measured in ounces because I usually deal in small items. Buy a scale that is flexible enough to meet your needs.

Know your shipping charges in advance, have postage affixed to the package and just drop it off at the Post Office. Simple and efficient.

The Post Office will pick up your Priority Mail packages but there is a fee for this service. Generally, I send everything by Priority Mail for the protection of the buyer and myself. Priority Mail **tracks** your packages. This service allows you to **know where your** package is at any time and this information is accessible online.

When I was a novice auction buyer, I didn't include tracking for cheaper items. I was lucky that everything arrived safely. Then I sold a $75 item and later received an accusatory e-mail from my buyer -- "Where is my package?" The Post Office had tried to deliver it twice. Because no one was home both times, they couldn't get the required signature for the insurance. The Post Office was

about to return the package to me. It was a hassle, I didn't need. Since that time, I have always charged the buyer an extra 50 cents on every package. I don't request permission. It's just included as part of the transaction.

It's a good idea to send a message to your buyer to confirm shipment. With my initial shipments, I didn't include the **tracking number** but followed it up myself. Now I include the number and the exact Web site address so that my buyer can follow her own package.

In this way, I make the entire procedure more efficient by cutting down on my time investment. And I make the buyer more comfortable because she can verify what I have told her.

Occasionally, I have a customer who is buying something very light and doesn't want to pay for Priority shipping (tracking is only available with Priority mail). I am quite willing to oblige him in this but I make it very clear that the risk is all his. If the package should get lost in the mail, I will not refund his money. If all my customers understand this up front, there isn't a problem.

The Post Office offers insurance as well. These costs are listed online. I offer it to my buyers as an option. Some want it and some don't. However, here's a precaution to take. When you offer insurance to your buyers, **save their response e-mail** (i.e., yes or no answer) until their package has arrived. So far, (knock on wood) my packages have always arrived safely. In the event that an uninsured one does not, I have proof that my buyer didn't want insurance.

Canada Post...
http://www.canadapost.ca

Canada Post offers three options… Priority Courier, Xpresspost and Regular parcel. All charge extra for tracking and insurance. Canada Post also sells stamps and offers a rate calculator online.

United Parcel Service...
http://www.ups.com

UPS supplies are not free. This will add substantial costs to your auction business. UPS charges are a little more difficult to figure.

UPS has a great advantage over the Post Office, however, in **size, weight and shape.** They will ship up to 150 pounds in one box (the Post Office limit is 70 pounds). Their size limits are greater, too, and they will ship weird

shapes that the Post Office won't accept. Tracking is free, if you get the delivery confirmation .

Be aware that UPS has different charges for regular and high-volume users. Since you will soon be a high-volume customer, you will qualify for these lower fees.

Federal Express...
http://www.fedex.com

FedEx was a "johnny-come-lately" in the auction delivery business. They realized that they were missing out on a lot of money in the e-commerce field and decided to become serious competitors of the Post Office and UPS.

Other Options...

Depending on the nature of your sold item, you may have to consider other options. Bus Lines meet certain challenges, for instance...

Greyhound Bus Lines
http://www.greyhound.com/

There are many items that are not suitable for any of the carriers above. For example, if you are **selling furniture, concrete statues...**

... or totem poles, you will have to make special arrangements with trucking companies or freight carriers. There are special Web sites, such as **iShip (http://www.iship.com/)** that can be very helpful for shipping research information, especially if your item is unique.

International Shipping...

If you are going to ship internationally, you need to consider how you will deliver your packages. **Fed Ex** is wonderful for documents but not as appropriate for our auctions. According to people who are experienced in this kind of traffic, UPS is the absolute favorite. It has an extensive list of countries to which they will ship.

10.2. Handling

Frankly, “handling” is the one and **only part of the auction game that…**

… really bugs me. But it must be done and done well.

What you sell influences the degree of difficulty. Selling books, without question, is a whole lot easier than china, computers or dolls.

What’s needed to do the job well?…

1) Boxes -- Obviously, packing begins with a box but not just any old box. A shipping-type box is necessary. If you use a shoe box or some other flimsy container, you can be certain your package delivery will be a disaster! So you have to become a box-fanatic like the rest of us. Keep your antennae up. Lots of merchants have boxes that you can have for free.

If you are shipping really fragile items, **two boxes** are safest. The outer box should be a couple of inches larger than the inner one to allow for extra padding.

2) Padding for your packages -- Do you need padding? Well, yes and no. Sending a few tough books without padding is much different from sending grandma’s dishes unprotected. The outcome is predictable and it’s not a pretty sight. What kind of padding should you use?

Newspaper is my padding of choice because it is cheap and readily available. However, be careful because the ink can rub off on some objects and detract from their beauty. Wrap these kinds of items in plastic. Some auction users buy shredders and use strips of paper as packaging.

I personally hate those plastic peanuts but lots of people swear by them. However, electronics manufacturers say to never pack computer and other kinds of equipment with peanuts due to the electricity problem. The Post Office recommends plain popcorn. Don’t forget that little critters might like it, too. Cut-up cardboard can also be very effective as packing material. It’s just tough to chop up.

Bubble wrap is the preferred favorite. It cushions objects so well (and popping the bubbles is a great stress-reducer). Of course, it costs more than the other materials so always look for bargains on this valuable product. Save every scrap you get.

Some of the following addresses are popular sites for **bargain materials...**

http://www.cleancarton.com/

http://www.movewithus.com/

http://www.adpaq.com/

http://www.uline.com/

Padded envelopes are a popular choice because they are so simple -- just insert the whatever and mail. The downside is that they aren't cheap. Whenever you receive anything in one of these envelopes, save them! (Are you now thinking about all the envelopes you've thrown away in the past?)

3) Other supplies -- In addition, you need mailing tape, regular tape, scissors, labels and a legible marker. I wrap everything in plastic bags just for safety's sake.

Another precaution you might consider is to include an **extra label** inside the package. You don't want your inventory sitting around one of those ghostly mail offices. If you reuse a box, cover up the old label or scratch through it with a marker. I sent a package to a seller that came right back to me. I thought the new address was quite obvious but apparently the Post Office didn't.

Whatever materials you choose to use, be sure to pack your items **securely.** Companies will sometimes contest an insurance claim if they feel you didn't do an adequate packing job.

If you don't know how to pack an item, you might get free advice at one of the local stores or post a question on some of the auction newsgroups. There will undoubtedly be an experienced user who will cheerfully share her knowledge with you.

SIDEBAR

Want to really shine in your auction business? **Here is a...**

... gold star idea...

Create a small **"certificate"** to send to buyers. The certificate tells them how great they are to deal with and that you appreciate their business. It should also ask them to notify you by e-mail when their item arrives safely. And it can gently remind buyers to give me some positive feedback. (You have already written positive comments about them.)

My certificate insert is half a page in length and is printed on bright pink paper. My feedback started skyrocketing after I began sending it. Be creative. Design your insert according to your own personality. It adds very little to your cost, takes virtually no time to insert while you are packaging , and it increases good will drastically. Overall, an insert makes you more **memorable.**

Unless you are used to shipping many boxes and packages, you may not realize how fast these costs can add up. I recommend to anyone and everyone to find their shipping supplies right on the auctions themselves. There are people who are constantly on these sites, offering packaging material in large quantities or through Dutch auctions. The key is to comparison-shop.

If you dislike this chore as much as I do, you might think about hiring out this service. Some of my items go directly from the manufacturer to the customer. That's the ideal situation. Unfortunately, many don't. I have hired a lovely lady who has four children and needs to be at home. Periodically, I deliver a load of goodies to her house and she packs and mails them for me. Yeah!

Not only do I **escape a dreaded chore...**

... but I have my dining room back!

10.3. Follow-Up With Your Customer

After mailing your package, it is important to send your buyer a follow-up e-mail. For example…

```
Dear Joe,

I received your money order yesterday and therefore mailed
your package this morning.  Your tracking # is 123456789 and
you can follow its progress at post office dot com.

It has been a real pleasure doing business with you.  I am
sending some positive feedback for you and would appreciate
you doing the same for me. Please let me know when your
package arrives.

Thanks for a successful and happy transaction.

Sydney
```

What have you accomplished with this short message?

1) You have impressed Joe with your **efficiency!** "Wow! She got my money on Tuesday and mailed my product on Wednesday! I like doing business with this lady."

2) By sending the tracking number, you have accomplished two things. First, Joe knows that you have told the truth and really sent his widget. Secondly, you have put the **responsibility** on his shoulders. He can track his own package, thus freeing up your precious time.

3) You have provided a third opportunity to get valuable **feedback** for yourself. The first time you sent your initial, congratulatory message. The second time you included it with your package insert. And now for the third time you have it in your confirmation e-mail. (If your buyer is a royal pain and the entire transaction has driven you to the neighborhood bar, forego this section.)

4) Do you really need the buyers to confirm the arrival of their package? No because you will surely hear from them if it doesn't arrive! And with a tracking number you can follow the progress yourself. The confirmation gives you an excuse for further **contact.**

Some people think that this constant harping on follow-up and good customer service is overkill. Maybe you sold a $10 item. As long as you don't get negative feedback, it doesn't matter if the exchange is sloppy. However, for longterm success, **attention to detail** is important.

Some sellers want to make money on shipping. But be aware that most buyers resent paying more than actual shipping charges and experienced ones may avoid your auctions altogether if your costs aren't reasonable.

Unfortunately, there is always a tiny minority of people who are dishonest. If you know how, it isn't hard to protect yourself from these sleazy people.

Ready to find out how? Let's go...

11. Arguments, Disputes and Fraud

Truthfully, my experience in auctions has been remarkably pleasant, efficient and error-free. My respect for my fellow auctioneers is very high.

Nevertheless, there are a few horror stories floating around the ethers, and it is always smart to be prepared for the worst. The more business you do, the more likely you are to run into some dishonest people.

And besides, if you happen to run into the Jack the Ripper of Cyberspace, you need to know how to handle him -- as best anyone can...

11.1. Disputes

There are the inevitable disputes that happen. Your deal goes sour but there isn't any fraud. Just two (or more) people who are both convinced that they are right. It's the other guy who is wrong, wrong, wrong!

Picture the possibilities in your mind...

1) Your buyer doesn't respond -- What if your auction is over but the buyer doesn't respond? First of all, don't panic! There might be valid reasons why they have ignored you. Don't rush out and give negative feedback about this buyer right away. Give the guy a little breathing space before jumping to conclusions.

Send your buyer a **gentle reminder, something like...**

... "Just what is the matter with you, Dork??" (Kidding, of course.)

Mention your last message and remind them that the auction site considers a bid a valid contract. Remind him that you have held up your part of the bargain and you expect him to do the same. **Specify** a date by which you expect payment.

If after a couple of weeks, you still haven't heard from the buyer, the only recourse you have is to leave bad feedback on the buyer. Refuse to ever allow him to bid on your merchandise again.

Unfortunately, you will have to relist your item and start again. That is just part of the risk of the game. Or you can check the bids on your item and contact the second-highest bidder and ask if he is still interested in your merchandise.

When you post your feedback, be **professional** about it. Calling someone horrible names and being really ugly does not serve your seller image at all. In short, Mr. Bogus Buyer isn't worth it!

2) A bad check -- Earlier, we discussed the importance of deciding on the method of payment in advance of your first auction. As you recall, you either hold the check, or only accept money orders, or use a third party like PayPal. Veteran sellers say that most often a bouncing check is just a mistake that the embarrassed buyer will correct when it is pointed out. If you are uncomfortable with the risk, don't assume it. And, of course, I would never ship a really expensive item until I was certain I had my money.

3) Damage -- What if you send an item and when the buyer receives it, it's damaged? I urge you to take responsibility for this problem, rather than ignore it.

Unless you are selling a zillion dollar item, your reputation as a professional and honest seller is much more important than a single item. It is best to either replace the item, if you have one, or refund the buyer's money. You can then take your claim to your carrier. With the Post Office, if it is under $50, they will give you a money order at your local office.

What I do know, however, is to stay tuned for some hassle. As mentioned earlier, all of the carriers will insist that if it wasn't properly packed, that they don't owe you. (Of course, they don't mind accepting "improperly packed" items but that's a different story apparently.)

4) Merchandise not as advertised -- If you are the seller, and you made a mistake, **rectify** the situation. Perhaps you misunderstood something about your merchandise. Perhaps you thought it was an original, and it wasn't. Perhaps the buyer still wants the item but at a lower price -- so refund some of their money. Or take back the item and refund all of the money.

The kind of seller who deliberately misleads customers won't last in the auction business.

5) Buyer's remorse -- What if your buyer changes her mind? For some odd reason, there are people who just like to bid, and who never plan on buying anything. Their participation is short-lived as their reputation gets around. These buyers receive all kinds of negative feedback and comments in the discussion rooms and on message boards.

On eBay, after two non-payment claims, the buyer receives a warning. The next time, it's a 30-day suspension. After that, they are permanently suspended.

11.2. Irreconcilable Disagreements

Sometimes, it just isn't possible to amicably settle a dispute. In that case, you have several possible remedies. Just be aware that if the deal isn't really a major one, all veterans will strongly urge you to forget it. This may not be fair... it may not be right... but it is definitely **smart.**

Here are your options...

1) Formal Complaint -- Provide the facts in a **calm** manner. If it becomes a matter for law-enforcement agencies, the site may not notify you of the results. The buyer or seller can become a **NARU** (Not a Registered User). Unfortunately, unscrupulous people may simply re-register under a new name.

If it isn't a law-enforcement problem, you will be notified that customer service will contact you. This is a pretty overworked crowd and you may not hear from them for days.

The auction sites can't compel someone to honor their agreement with you. Their only course of action is to suspend the guilty part from the auction site and hopefully from the auction business. Ultimately, auction sites are a **community,** and like any small town, word gets around. Your outstanding and fair dealings will become known, as will the actions of undesirable deviants.

2) Insurance -- In any event, if you have used wisdom in your dealings, you will have used an **escrow service** for any expensive items and thus eliminated your risk.

Some of the sites themselves offer insurance but this is usually for buyers, not sellers. If you are careless enough to ship merchandise for which you have not been paid, you are on your own.

eBay has contracted an specialized service called **Square Trade (http://www.squaretrade.com/)** to help resolve disputes between buyers and sellers. It is a **free Web-based forum** which allows users to attempt to resolve their differences on their own. You can file a complaint and Square Trade will then contact the other party.

Of course, if you are dealing with a genuine crook, this system is of no use because they won't abide by the results. On the other hand, this method is effective between two honest people who have simply become outraged with each other.

11.3. Outright Fraud

Sellers are definitely in a stronger position than buyers. We are the ones in charge of the merchandise and we don't need to ship until we are sure we have been paid. As well, credit cards and the intermediary services like PayPal make it so much safer than in the past.

If you happen to find yourself involved in a fraud dispute, in addition to notifying the auction site, you may also want to use the services of the following agencies...

National Fraud Information Center
http://www.fraud.org/welcome.htm

Internet Fraud Complain Center
https://www.ifccfbi.gov/

Federal Trade Commission
http://www.ftc.gov/

Better Business Bureau
http://www.bbb.org/

If you have a problem with a seller or vendor, a complaint to the BBB may have some effect. They are the best-known "policing" organization. There are lots of consumers who check with them before doing business with a company.

If there is a bad report from the BBB, many customers will back away and most companies know this. Therefore, no legitimate outfit wants bad information in their files and many will go to great lengths to prevent a bad reputation -- including dealing fairly with you.

Postmaster General (if you used the Post Office)
800-275-8777

All of the above agencies handle fraud complaints in the same general way. Since we are dealing with Internet fraud, correspondence is handled on the Net. If you are ever involved in this unpleasantness, you will first be asked to fill out a form. Then you will be assigned a case number. The agency will ask

you for specifics and generally no action will be taken until 30 days has elapsed. After your form is filed, they will notify the opposing party.

If there is fraud involved, the law enforcement agencies may or may not take legal steps. They are secretive about their criteria for legal action. If you are the one and only person to complain, I realistically doubt that much will be done. However, the power of reporting someone to a law enforcement agency can be tremendous. Just filing a complaint may accomplish everything you desire.

One important tip is to save every bit of **correspondence** you have from and about this person. I have a separate account just for my auction selling and I save e-mail for weeks, sometimes months.

Bottom line?

The best protection is the one you create yourself.

Consider this “fraud” tactic. Sometimes a buyer is contacted by someone who falsely represents themselves as the seller.

Like a masked bandit...

... he (or she) directs the buyer to make payment to a certain address.

Obviously, if you have sold your prized collectible to Sandra, you don’t want her sending her money to the wrong seller. So respond promptly to your buyer before someone else can solicit their money. If a buyer gets two messages requesting payment, she is going to contact the auction site to see who is legitimate.

There are really only three ways that you can be defrauded by a dishonest buyer...

1) Non payment -- You can protect yourself from this scam if you **carefully** choose your payment options. If you do accept checks, allow plenty of time for the bank to clear them. Be sure to make it crystal clear to your buyers that this is your policy. Once the bank has informed you that the check is good, you are protected.

2) The buyer claims they never received their items -- This possibility is why I am so ferocious about some sort of tracking system with any packages I send. On the rare occasion that the buyer wants a really cheap mailing option that doesn't qualify for tracking, I send him an e-mail stating that this is his risk, not mine. And I save the e-mail. My e-mail system also allows for a confirmation that the recipient has received my e-mail. I do this for all auction correspondence.

3) The buyer claims the merchandise was damaged -- This issue is the toughest to handle. Perhaps it really was damaged, in which case we have an obligation to satisfy the buyer and then deal with the carrier.
Preventing fraud in this area depends on your guarantee. Do you have one? What are its terms?

With a more expensive item, you can take a **photo** of it, along with the shipping label before you send it. For less expensive items, you will have to decide if it is worth the trouble to you.

One seller told me he has an occasional fraudulent return where the buyer will insist that it was damaged when he knows it wasn't. But he is making so much money that the seller states it isn't worth his time to argue. He simply substitutes or returns the buyer's money.

Your best protection is **good records** so that you can prove that you are telling the truth. There are many more buyers defrauded than sellers so the sympathy leans toward the buyer.

Key point? **Protect yourself.**

11.4. Unethical Activities

I see myself as a professional auction seller, and I suggest that you view yourself that way, too. It is in our best interests to keep our auction community clean and safe for all. Therefore, it is our responsibility and privilege to report any unscrupulous activities that we see, even if we aren't directly involved. For example...

• **Suspect Feedback...** Feedback is designed as a protection for honest buyers and sellers, a way to forestall problems and keep all the players honest. Do not allow unscrupulous people to take advantage of the system.

The big sites like eBay, Amazon and Yahoo have thousands and thousands of items, and no matter how hard the site crew works, there are bound to be

cheaters. There always are. So if you see the following kinds of abuses, you must make a personal decision about whether to report them...

i) Shill feedback is used if someone's feedback rating is lousy. They may try to get around it. Either Mr. Unscrupulous can have friends register on the auction site and give rave reviews or he will create several accounts and use one account to give positive feedback to another account. The system surely isn't foolproof or "crook-proof."

ii) Feedback extortion is defined as trying to force someone into a certain action by threatening negative feedback. It's hard to believe that someone would be so stupid as to do this. All the intended victim would have to do is mail the extortion threat to the site authorities. But many veteran sellers assure me that this happens.

iii) Feedback solicitation occurs when someone wants to bargain -- no threats, just a solicitation for feedback. "I'll buy your widget if you'll give me some great feedback," or "I'll give you positive feedback if..."

• **Bidding Abuses...** We discussed sniping earlier. Although many auctioneers complain about it, it isn't illegal. There are, however, bidding practices that are considered illegal and can lead to expulsion from the site...

i) Shill bidding is probably quite common, although it may not be obvious from the outside. It is a way of protecting your price.

Suppose you want to sell an item for at least $500. As we have previously mentioned, many buyers won't bid on an item with a reserve price. So that's not an option. You could start your minimum bid at $500. This will turn off many buyers and you know that hot sellers begin at a lower price. So what if your $500 items sells for $50? One way to protect yourself is by shielding the bid. This means that you get friends and relatives to bid on the item, either to run the price up or to prevent a sale at too low a price.

The auction sites know the outcome of a sale but they have no way of knowing whether the merchandise ever actually changed hands. If neither seller or buyer ever complain, they assume all is well.

ii) Bid siphoning is a practice that can truly bring a quick end to your auction career. Suppose Joe is selling an item and the current price is $50. You e-mail the bidders with the information that you have the same item and will sell it for $40, thus undercutting the seller.

iii) Auction interference occurs when someone e-mails the bidders in an open auction and warns them away from the seller or a particular item. This occurred to me once when someone sent me an e-mail warning me that a certain person who had bid on my item was not to be trusted. What could I do with this kind of information? Not much.

As a seller, you have the right to refuse to do business with a particular person. But I certainly wasn't going to invoke that right based on an anonymous e-mail. And the way I have set up my selling system, it is impossible to cheat me out of my goods. This person didn't win the auction anyway so it was a moot point. Was this comment from an anonymous sender meant to be helpful or destructive? Who knows?

iv) Bid manipulation #1 refers to a suspect duo. Suppose that Susie is an wild-eyed collector of Dukes of Hazzard lunchboxes and her arch-rival, Jodie, is the high bidder on a particularly tasty box. If Susie is unscrupulous, she might bid higher and higher until she discovers Jodie's highest price. And then she retracts her bid.

Bid manipulation #2 is the other half of the duo. On eBay, if an item receives 30 bids, it becomes a hot item and receives a favored position at the very beginning of the category. Some sellers will request that friends bid on their item just to propel it into this category.

v) Chronic bid manipulation involves folks who chronically bid and then withdraw.

• **Unlawful Identity...** Some people have represented themselves as employees of the auction site. There are also dishonest individuals who have used the identity of other users to post rotten feedback or insult others with impunity. There are some who for some bizarre reason delight in making bids in the name of other people.

Finally, there are those who use false information when registering. If you are a seller, you may soon be found out if any charges accrue to you and the site tries to process your credit information. And if you are a buyer, you will have to supply correct information to the seller, or you won't get your merchandise.

• **Miscellaneous Offenses...** Naturally, there are offenses that are prohibited because they jeopardize the site and the safe auctioning of items. Surprise, surprise! Interfering with the site (i.e., hacking) is prohibited. So is **Spam** but you are going to get some.

Once you have dealt with a buyer or seller, you then have their address. Revealing any information other than e-mail addresses online is definitely an outlaw act. I know of some instances where people have gotten mad and published full contact information. Definitely a no-no.

This may sound like a broken record but it's worth repeating. Once you begin to make significant amounts of money on the auction sites, you will realize that being suspended, temporarily or permanently, is a **serious** problem.

It is akin to getting fired -- only the auction game is a whole lot more lucrative and fun than most jobs.

To maximize your profits, you have to become an **expert.** The next chapter will show you how to naturally become one...

12. Become an Expert

If you are going to succeed at the auction game, you must understand your category, the value of particular items and the market. In short, you must become an **expert!**

Is your heart sinking as you read those words? Perhaps you are saying, "Well, that lets me out, I'm not an expert in anything." Don't despair. You don't need to become a world famous expert, especially not all at once. In fact, you don't have to know a whole lot at first.

Just remember these pointers and you will be fine...

1) Keep your spending low.

2) Reduce risk.

3) Refrain from buying any large amounts of merchandise until you know what you are doing.

4) Don't use your lack of knowledge as an excuse to take no action at all.

For example, I am interested in books. I recently spoke with the father of a friend who is an expert in the rare book field. He's actually one of the top experts in the world. This man is in his 70's and has been a book fanatic since early childhood and a book dealer his entire adult life. I will never know as much as he does. I will probably never know a fourth of what he knows. But that doesn't prevent me from making money by selling books or anything else at auctions.

Be prudent but don't get "paralysis of analysis"! All successful businesses have two things in common… **passion and effort.** Narrow your choice(s) down to the best fit and then go for it!

12.1. Choose Your Niche

Now it is time to be serious about your choices. If you don't really love what you are buying and selling, learning the necessary knowledge will be a chore rather than a joy. And if it is a chore, you won't stick with it.

There are some "rules" or guide-lines to follow when choosing your niche…

1) Start small -- Begin with only one, or at most two, categories. Don't deal in multiple categories until you know what you are doing.

2) Make sure you are truly fascinated -- If you don't feel passion for your subject it will frankly be a big drag. Learning about something you aren't interested in is too much like school, isn't it? Did you just memorize information to get a good grade? Information **you forgot as soon as…**

… you ran out of the test room?

This listing clearly shows why you need to love your merchandise...

UD Yankee Master Set Ruth Gehrig Mantle Bat

Item #1102090944

ading Cards:Baseball: MLB:Sets Sports:Memorabilia:Baseball

rently **$3,000.00** First bid **$3,000.00**

Is this bat worth $3,000? I have no idea. But I do know that studying baseball memorabilia is not appealing to me. However, many people are obviously fascinated with it.

You also won't fool your buyers. They will know it you are doing it "just for the money." Your lack of enthusiasm will show through in your listings and affect your sales. It may sound corny in our cynical age but this is really golden advice. Be passionate about what you do.

3) Don't limit yourself -- Categories are very helpful but don't **limit** yourself by focusing only on one field of interest. In my case, I spend time studying the auctions to see what is selling really well. Then if I have a good source for that particular product, I will begin selling it. If it is general merchandise, I may not need to know much about it.

For example, here is a profitable item of mine...

I have run this auction item again and again. I begin the price at $.99 and it continues to rise as the bidding becomes more frenzied. I run this same listing

each time and have made thousands of dollars with it. The customer gets a very good value because the briefcase is attractive and all leather.

What do I know about leather goods? Not much. But this is a type of general, inexpensive merchandise that doesn't require in-depth knowledge. The crucial strategy is to figure out what people **want** to buy and sell it to them!

A great tip -- whenever you list an item, you must declare a category for it. I spent hours searching eBay looking for appropriate categories until I accidentally discovered the "Category Overview" page. For some reason, it isn't well known but it has saved me enormous amounts of time.

The url is **http://listings.ebay.com/aw/listings/overview.html**

To give you an idea of how valuable this knowledge is, look at an item that I have sold...

This is an eye massager that can improve vision, reduce wrinkles, etc. Where in the world does a product like this fit? Without the "Category Overview" page, too much of my time would have been spent seeking an appropriate spot. (By the way, I put it in Health and Beauty.)

12.2. What Do You Want to Sell?

You may not have a clue about what you want to sell. Or maybe you do, but you are unsure whether it is profitable or not. For both situations, **researching** Net auction sites is critical. That's how you will find the information you need to make the right decisions.

As you can see, it's not difficult to find something that fits with your interests. The challenge is **narrowing** your choice to the best fit -- the one that nourishes your passion and feeds your profit line.

How and where to begin?

Simple. Start researching on eBay. It has more categories than anyone else and enough information to start an avalanche of ideas rolling in your head. Keep in mind that each category has a sub-category which in turn usually has a sub-sub-category. You may be surprised where you end up!

12.3. Who Are Your Customers?

Suppose you decide to sell the following item advertised as a “Navy Seal multifunctional tool”...

Who might be interested in this? What about campers? Hikers? Sporting goods outlets? Scouts? Martial Arts practitioners? Mountain climbers? Women? Fishermen? Boaters? Kitchen workers? Divers? Hunters?

Brainstorm ideas about the people in each category. If you choose campers, ask yourself...

- What are their interests?
- Are they more likely men or women?
- What is their age range?
- What is their income range?
- What do they want, and not want, from their camping experience?

In this way, you get a picture of your customer, and can direct your listing toward his needs. How could a camper use this tool to have a better camping experience? To open a soft drink or a wine bottle? Cut a fishing line? Trim a branch?

If you understand what your customer wants, you will be in a better position to give it to him. A powerful “trick” to help you write an ad is to create an imaginary person and address all your copy to him.

Let's pretend you are writing an ad for campers. Create a guy named Jeff. **Jeff and three of his buddies…**

…are out in the woods, playing weekend frontiersmen. What is going on? Imagine them unshaven, sitting around the fire at night, telling jokes and talking sports. How would Jeff use the Navy Seal tool? He might use the knife blade to sharpen a stick to stir the fire. He would definitely use the bottle opener.

Picturing your customers makes it easier to understand what your customers want, rather than writing to the faceless "them." Always try to become your customers. Put yourself into their **mindsets.**

12.4. Are Price and Value the Same Thing?

Items can be hot with a high price tag. The value doesn't necessarily have to correspond. Whenever you can jump on a "hot" trend -- do it! The ultimate profit comes when you catch a trend **just as it is beginning.**

How do you determine true value? There are countless books and magazines to use as resource material. There are also media programs, like the "Antique Road Show." Online, there are several reference options. For example…

http://www.collectingchannel.com/

http://www.collectoronline.com/

http://www.toyfan.com/

http://www.worldcollectorsnet.com/cmart/

Just be aware that these sources are only guides, not the final word. For your auction business, the only thing that matters is what your buyers will pay for your merchandise.

My experience has been that researching auction sites is the most productive use of your time. You can view current and past sales. Let's use our Navy Seal tool to illustrate. Type those words into an auction search function and it will give you all kinds of information in a concise, compact form.

Some of the auction sites feature resource information as well. It may or may not be helpful depending on what you wish to sell. Ask yourself these questions...

• Is there some big trend that I can capitalize on? For example, "USA Today" reported that when "Seinfeld" (a T.V. show) was nearing its end, everything related to the show sky-rocketed in value.

• What about timing? Should I sell this now, or wait and sell it later? This can be tricky. If it's hot today, it may be even hotter in 20 years but do you want to wait that long?

• Is a company discontinuing an item that I might want to buy and stockpile? Perhaps there is a recall associated with this item.

• Is there a growing interest in something that I might detect early in the game? Elvis memorabilia wasn't all that valuable until he died. The King seems to be worth **much more dead...**

... than alive!

Do your hard thinking before you commit to action!

12.5. Report Violations

Since auction sites can't possibly monitor all the items they are selling, they rely on the **membership** to help them. Why would anyone report another seller? Perhaps they are your competition! Or they may be infringing on someone else's property and you don't believe in that. Or some people just believe that everyone should **follow the rules**... period.

How does the reporting process work?

Each site has its own rules for reporting behavior. The most advanced of these is eBay's **VeRO (Verified Rights Owner)** program. If you own "intellectual property," you can be a VeRO member. This means that if someone is using your ad copy, your course information, your logo or copyrighted item, you can do something about it.

Members of the VeRO program include hundreds of law enforcement officials and representatives from companies who are very zealous in the protection of

their property. eBay doesn't prosecute people but it will suspend them permanently. Federal governments sometimes prosecute offenders.

You can report suspicious activity. The easiest way is to go to the **Community Watch Forum...**

http://pages.ebay.com/help/community/index.html.

What if you mistakenly break the rules? Chances are nothing will happen, if you can convince eBay that is was an honest mistake.

Repeat offenders don't receive the benefit of the doubt.

Are you ready to focus totally on what you want from your business? Without being crystal clear, you will end up floundering and lost in a fog. That will **not** happen to you, if you spend some time with the next chapter...

13. What Do YOU Want?

To succeed at the **Net Auction Game,** you must be clear about what you want from it and what you are willing to do to obtain your goals. A method of evaluation is critical as well -- although the money we make, or don't make, certainly provides a lot of feedback.

Once again the best way to understand the "big picture" is to ask the **right questions!** Don't worry. No grades. No tests. This is simply an effective way to help your Net auction business reach its **full** potential. Questions are a critical element of success.

So many times, **I have just danced lightheartedly into projects with…**

… pictures of possible scenarios floating in my head. Not really thinking about the consequences. I have always been sorry.

It slowly dawned on me that it is much easier to get into something than get out of it. The more time I spend in **advance,** figuring out what will be expected of me, looking for flaws, examining my expectations, the more success I have.

This may not be a universal law but it sure seems close!

13.1. Big Picture Focus Questions

Fortunately, you have already been reflecting on these questions. Try to finalize your answers now…

1) How much **money** would you like to make in a month's time? Do you want to make an extra few hundred dollars in order to make a car payment or pay the mortgage? Or would you like to quit your job and make this a full-time business? Are you ambitious enough to want to become one of the Internet millionaires we all read about?

2) How much **time** do you have to devote to auctions? Be realistic. **There are only 24 hours in a day…**

... no matter how hard you try to squeeze in one more.

If you can only manage thirty minutes a day for your auction business, or five hours on weekends, then don't see yourself making zillions.

Know your limits. You may want this to be a full-time job but you can't afford to quit that job right now. So focus on the here-and-now, not the future. Recognize that if you only have two hours a week, it is unrealistic to believe that you can auction hundreds of items.

3) What is a realistic **time frame** for this project? Are you ready to start a Net auction business today, or will you need some time to convince your spouse that this is a good idea? Will it be a couple of months before you can start cleaning out that garage or are you heading out the door with broom-in-hand after this sentence? Do you have a couple of other projects you need to finish first?

4) Do you already know what kind of merchandise you would like to specialize in, or are you unclear at this time? If you have collected something for the past thirty years then perhaps your choices are already made. If you haven't the faintest clue, then have you done the necessary category research?

5) Is there something that you already know a lot about, or will you have to start from zero? If you are already an expert on antique maps, great! If not, what is your learning curve? Have you chosen an area that requires great expertise, or can you learn about it quickly?

6) What knowledge do you need? Do you know when you have discovered a bargain? Do you know what to charge for your items? Do you know where to get what you want to sell?

7) If you don't have the information you need, do you know **where** to get it?

8) Can you find out whatever you need to know without taking any big risks? If you need to take a $5,000 real estate course **and have to carry home...**

... a back-breaking load of books to read in order to adequately understand your field, then I suggest beginning with an easier category. Come back to real estate when you have a little experience. The auction game is not about taking huge risks!

9) What skills will you need? One of the greatest things about this business is that it isn't extremely complicated and/or difficult. Yet there is a certain amount of discipline and effort required, just like anything else in life. Truthfully, the most necessary skills for positive Net auctions are **persistence** and a **willingness** to learn from every failure as well as every success.

10) If there are skills you don't have, can you either acquire them or hire someone to do them for you? Be honest with yourself. Some qualities come from within and cannot be bought at any price. However, many others can be acquired or hired.

11) How do you feel about shopping? Do you love going through **huge stacks of goods or would you rather…**

… get in a boxing ring with Mike Tyson?

I get the shudders at the thought of going to yard sales or plowing through "stuff" at the Salvation Army store. More than fifteen minutes at the mall gives me hives. But I have friends whose idea of an ideal day is to get in the car at dawn and return at nightfall with their trunks loaded. Which style reflects you more closely?

12) Would you prefer to sell a few high-ticket items, or would you rather have dozens of smaller items for sale? We will discuss this in detail later on in this chapter but it is much easier to begin with smaller, less expensive items.

13) Are you comfortable talking to strangers or would you rather deal only with "faceless" people on a computer screen? If you are negotiating only with dealers and/or stores who stock your merchandise, you can conduct business by phone, e-mail or fax. If you are going to flea markets and such, you are going to have to talk with people face-to-face in order to buy their merchandise.

14) Do you live in a large city where a lot of merchandise is easily available or will location be a problem? You can live anywhere that has electricity and run your auction business! Whether merchandise is geographically convenient matters only if you are planning to specialize in certain fields.

15) What obstacles are you likely to encounter? When obstacles inevitably appear, how are you going to handle them?

I have set up my auction business so that the worst that can happen to me is that I will lose some relatively small sums of money and a few hours of my time. You can create the same kind of scenario for yourself. However, your personal situation may be such that **you are in a …**

… rat race with obstacles nipping at your heels. Perhaps your spouse thinks that auctions are ridiculous, or your parents urge you to get a "real job." How are you going to handle them?

16) Am I going to learn from my inevitable mistakes, or am I going to whine about them? In one sense, the auctions are a very basic, primal kind of business. Either an item sells or it doesn't! If it doesn't, are you willing to work on figuring out why not?

17) Am I willing to persist until I succeed? Or is there a significant chance that I will just give up? If you think you are going to give up, then be especially careful to invest very little money in merchandise.

18) Does a Net auction business **sing to you?…**

… or is it just a little tweet? Are you really interested in this? Is it just for the money? Don't misunderstand me. There is nothing wrong with going after money. It's just hard to maintain enthusiasm if you don't enjoy your work.

19) What are the possible rewards? While I love the money, I love the freedom just as much or more. I am fascinated by the people that I meet and the merchandise that I find. I feel a real thrill of discovery when I successfully carry something off. What do you want? What are you expecting to happen?

20) What do you like about auctions?

21) What do you dislike about auctions? Of course, we never really know something until we do it. But based on what you currently know, what are your preferences? Are the likes **stronger** than the dislikes or vice versa?

Do you know the answers to all those questions from above? If you do, I am amazed. It took me quite a while to answer them for myself. This is the same set of questions that I always ask when I take on a **new project.** Use them for anything that you do. I guarantee they will be helpful.

Some of them seem pretty ridiculous right now, don't they? For instance, how can you know if you will like auctions until you have done a few? And how can you tell what you like and dislike if you've never tried it?

Focus questions are designed to get you thinking clearly and deeply. Did you ever try focused reading experiments in school? In the **first part of the experiment...**

... you read story A and then answer questions. For the second part, you read story B after you see a set of questions about it. Now you know what to look for as you read. The result? You get more correct answers on story B.

Use the focus questions outlined above to get positive results for your Net auction business. Now is the time to pour a **rock-solid** foundation.

So why did we wait until now to present the focus questions? Up until now, you were learning the "how-to" of maneuvering around auction sites. Now you are getting into the creative part, the actual **how-to-make-money part.**

There are lots of stories about people making huge profits and having a ball on the auction sites. But those are their stories. You have to create your **own** pathways and no one can or should do that for you.

Even if you read that Susie-Q is doing such and such and you want to copy her exactly, you can be sure of one thing -- your projects won't be like hers. That is what makes us individuals. That is what makes an auction business fun.

Refer to these focus questions and review them periodically. Stay on track... **the right track!**

13.2. The Right Track

It's not always easy to recognize when you are going off course. You need some guide posts to provide direction. For an income-generating auction business, look for these markers...

• **High Profit Potential** -- If what you are selling doesn't allow you to make a substantial profit, you might question whether it is worth doing. Granted, you will need to test anything and everything you want to sell, and your profit may be small at first. And to complicate things further, your definition of "substantial" may be different from mine. But if your goal is to **maximize** your money while **minimizing** your time (and it certainly ought to be), you need to constantly evaluate what you are doing.

For example, an auctioneer recently sold a computer part for $136.25. He paid $130 for it and he spent over an hour writing the ad. Not a great return for his time. If this low profit margin continues, the auctioneer needs to rethink his strategy and sell something more profitable.

• **Low Risk** -- The auction business is by its very nature low risk. If you are spending more money than you anticipated, it's a sign that something needs to change.

• **Easy Marketing** -- Marketing concerns are minimal if you...

1) Research and choose the most profitable/in-demand merchandise.

2) Master effective marketing skills. If your products are not selling, this is where you need to look. There are no other variables.

• **Fun** -- You may think that having fun is frivolous, something you can dispense with. **After all, making money requires...**

... serious thinking! But you are wrong! Those people who don't enjoy what they are doing usually don't have the stamina to stick it out, to learn their craft.

I built a business from scratch, one in which I was making more than $100,000 per year -- and I did it in less than a year's time. I woke up one morning with the realization that I absolutely hated what I was doing even though I was an entrepreneur and my own boss. I realized that my reasons for starting my business weren't carefully considered, and that I just needed to make money in a hurry. I quit that business immediately.

Of course, I completed everything that was currently in process but I sought no new business and instead started doing the work of figuring out what I really wanted... in spite of all the well-meaning people who assured me that I was nuts to walk away from a profitable business.

I had some lean times, very lean times, before I figured out what I wanted to do. If I had asked myself some tough questions in advance, none of that would have been necessary.

What's the point of this personal saga? There are two actually... the first is to emphasize the **importance** of the focus questions. Do your thinking before the fact rather than after. The second point is to **"reframe" that dreaded word...**

... mistake.

In most of our cultures, we are taught from our earliest childhood days to dread and despise mistakes. All too often, when we make a mistake we feel shame. We feel that there is something wrong with us. If there wasn't, how could we have done something so stupid?

As I said earlier, I invite you to see mistakes as merely a necessary part of learning. Make your learning process as enjoyable as possible. Consider each experience as a lesson and a way to get feedback on your actions. Live and learn. **Analyze** rather than judge yourself. Have **fun.**

Make a plan that fits with your passion, take action and be positive to feedback. A perfect formula for success!

13.3. Two Basic Selling Strategies

If you want your auction business to make lots and lots of money, there are only two possible strategies...

1) Specialize in smaller profit items, and sell a lot of them.

2) Sell a few large items.

If you sell a Porsche, it is easy to make $1000 in profit. If you are selling $10 books, you need to sell 100 of them to make the same amount of money. Of course, you can use a combination of these methods. For example, you might want to sell trucks, books about trucks and toy trucks.

Like everything else in life, each strategy has its **advantages** and **pitfalls...**

Fewer items mean simpler choices. Choosing to sell expensive items narrows your choices immediately. There is only a relatively small handful of items that can gross thousands of dollars in profits -- vehicles, art by famous people, expensive jewelry and so forth. By contrast, there are thousands and thousands of inexpensive items to choose from.

More expensive items require more **specialized** knowledge. Generally, those who sell the more expensive items need greater knowledge. I don't need to know much to sell Star Wars posters. A valuable painting is a whole different ball game.

Inexpensive items reduce risk. If my $10 book doesn't sell, it is an annoyance. If I have bought a $10,000 piece of equipment and don't sell it, that can be a financial disaster! There is a safer way to auction expensive items, and we will discuss that approach in detail in later chapters. Briefly, it involves selling goods that belong to others for a fee, and not assuming financial risk of your own.

Expensive deals become more critical. Each deal becomes **much more...**

... sweat-inducing if you are working with larger numbers. Obviously, there are fewer of those kinds of transactions than there are the smaller priced ones. It is much like commercial real estate. Each deal is much more lucrative but there may be twenty successful residential closings for every commercial one.

You can begin more **quickly** with inexpensive items. It is harder to get started with bigger money deals. And this isn't only because of the increased knowledge that you must have. It is often harder to find those opportunities than smaller ones. Also, once you get a reputation for successfully selling certain kinds of goods, you will have people seeking you out. But at first, no one knows who you are and no one has any reason to believe a word that you say.

Fewer transactions mean less record keeping. Larger items usually mean no shipping and handling. You can almost, or entirely, eliminate shipping and handling when you are dealing with large items. Those folks who buy a Lamborgini are going to come pick it up themselves. No **UPS** for them.

Cheaper items mean a much larger audience. You have a much greater audience if you are selling lower priced items. Nevertheless, this doesn't mean that there aren't lots of folks who want to buy expensive items...

$102,100.00 (reserve not yet met)	First bid	**$25,000.00**
1	# of bids	**34** bid history | with emails
Auction has ended.	Location	**Burbank, CA**
	Country/Region	**USA/Los Angeles**

This particular item didn't sell because the reserve wasn't met but it is an astounding auction, nevertheless -- $102,100!

What does it all mean? Choose a selling strategy that **"fits"** your needs. Know its pros and cons. If it feels right to you, **go for it.**

13.4. A Preview of What's Ahead

The next five chapters detail various money-making methods. Some ideas will overlap and/or fit into more than one category. What should be your main objective for the rest of this book? Find ideas that excite you.

If you feel fairly confident about where you want to go, feel free to skip to that chapter right now so you can get started sooner. Then come back and read the others later. Ideas are like plants. They **cross-fertilize,** if we let them.

So let's see what's ahead...

Chapter 14 -- Start Generating Profits

Chapter 14 reveals the first major way to generate profits... **sell your own goods.**

Most people start their auction businesses by cleaning out their attics and garages, selling off the accumulation of "stuff" that they have. But then once your home treasures are gone, what do you sell? You've now got auction fever.

The easiest way to find goods is to start haunting garage sales, flea markets and the like. These are just the most obvious ways to find products, however. There are so many more possibilities.

For instance, what about selling merchandise that isn't in your possession, you may never see and you definitely don't have to ship? (Sounds very appealing to me!) And the coolest thing about this is that there is absolutely no risk! After the merchandise is bought, you order it with the money you receive from your buyer.

SIDEBAR

MYNAS! is filled with stories of "ordinary" people who have realized their goals on the auction sites and then gone on to set even greater goals. Where did I get these stories?

Many of them are friends and acquaintances that live in my city. Others are people I have met on the Internet, in chat rooms or on auction sites. Some of these I have met in person. Others are friends I have never seen and most likely never will.

In other cases, I have seen interesting sellers on the sites and written to them. I explained what I was doing and asked them to tell me about themselves. We all like stories. Knowing that other people, just like ourselves, are succeeding is very empowering. I would like to share a short e-mail I received from a former buyer named Tony...

```
Hi Sydney!
Remember me?  You sold me the Stefanchik course on eBay.
Well I got a few good ideas from him and have definitely
improved my business!
```

Isn't that great? Of course, the money is cool but helping others is truly satisfying!

Chapter 15 -- Stand Out With Unique Items

There are all kinds of reasons why people shop on the Internet, but one of the strongest is because the Net offers unique items. **Chapter 15** honors the many talented and creative people who want to **express themselves...**

... by creating beautiful and different items.

There are an increasing number of home businesses being started by craftspeople... people who take pride in their work... who do what they do because they can't help it... who see themselves as more than an interchangeable part in a corporate machine... who simply must express themselves or endure lives of frustration.

Do you have something you would like to do, something you want to create? Or do you know people who feel this way but know nothing about marketing or how to sell their products?

Chapter 16 -- Sell Goods You Don't Own

For the most part, Chapters 14 and 15 concern themselves with the high volume sellers -- those who choose to sell lots of smaller-priced items.

In **Chapter 16,** we concentrate on those who would prefer to sell fewer and larger profit items. These bigger ticket items are usually such things as cars, industrial equipment, airplanes and the like.

Even though it seems hard to believe, there are millions and millions of people who don't own a computer, or aren't on the Internet yet (imagine that!), or know nothing about auctions. And they don't want to learn either.

I can guarantee you that there are people very near you who can't dispose of some large ticket items and don't know what to do. **They are...**

... frustrated and discouraged. You have an opportunity to be their white knight. After all, someone sold an $8,000,000 hotel on an auction site so the possibilities are as vast as your imagination.

Chapter 17 -- Promote Your Business

Chapter 17 is for those folks who have their own business (or want to be their own boss). Don't be alarmed by this. We're not talking about the owner of an office building with 200 employees.

We're talking about... **You!**

If your office is in your basement or spare bedroom, and you are the CEO, receptionist, marketing director, accountant, sales staff and janitorial service of your small business, you have come to the right place.

Of course, larger businesses use auctions too but mostly it is the e-playground of the entrepreneur, the owner of the one-person or family business (Small Small Businesses -- SSBs).

And when you add **Site Build It!** to your marketing toolbox, your small business will flourish. **Site Build It!** will help you harness the power of the Net to attract more potential buyers. And then you can monetize this traffic by introducing other streams of income off your Web site to complement your auction selling.

Chapter 18 -- Learn from the Pros

I have learned the auction business through my own experiences, and by observing what my fellow auction sellers are doing. **Chapter 18** shows you some really great listings... and some really awful ones. Keep in mind that the terrible ones can be just as valuable as the superior ones. If we know what not to do, we can avoid costly mistakes.

Chapter 19 -- Where to Sell Your Goods

If you want to maximize your returns, you need to choose carefully where you sell your goods. **Chapter 19** gives you the criteria to help you in your decision-making and suggests some potential sites.

Chapter 20 – The Wrap-Up

And then there is “The Wrap Up,” **Chapter 20.** Its content reflects its title!

The most common way to get into the auction game, but definitely not the only way, is to sell products you already own, or that you can acquire for a low price. So let’s use that as our launch pad to begin a truly remarkable and exciting business venture...

14. Start Generating Profit

At last, we have come to the really fun part -- the **money-making** part! Here is where you get the information and ideas you need to change your life. It is a game in which you can build a successful business with minimal risk.

The Net auction business is fascinating and filled with unexpected surprises. Where else can you spot a package of coca-cola gum that sold for $2500? **Imagine that…**

… $500 to chew a stick of gum! Eat your heart out, Hollywood!

One of the beautiful parts about the auction game is that you begin to make contacts. As the word spreads, people are soon calling you. Opportunities appear. Fresh ideas flower. You begin to see all kinds of exciting new opportunities and intriguing directions.

Hopefully, at this point, you have a clearer focus on where you want to go with auctions. The next few chapters will give you lots of ideas to get you on your way. Work with these ideas. Mix and match and create original combinations. Shift an idea to a different field. Basically, use these approaches to open the door to thousands of possibilities.

Will you like every idea that is presented? No way! Perhaps you may like nine of the ideas. If so, make a list of these and prioritize them. Or perhaps you see the potential of certain ideas for your particular situation but they would have to be modified to meet your needs.

The point here is to stimulate your **own** creative juices, not copy exactly what someone else has already done. A quick word of advice… If you consider this a chore or a task or a drag, find some other way to win fame and fortune. A Net auction business takes serious effort to achieve success and to have fun along the way.

How do you **eat an elephant?…**

…One bite at a time. The joke might be getting a little stale but the symbolism remains fresh. Grow your Net auction business piece by piece.

This point must be emphasized again and again... **be cautious.** Experiment and do your homework before you buy really expensive items or rush into Dutch auctions.

We live in the "World of Instant Gratification." However, auction wealth is a process based on **knowledge** and **experience** and the only way to get that is to proceed slowly and cautiously until you know what you are doing.

Sorry to be a party pooper but the get-rich-quick folks are deceiving themselves. Only a tiny handful of people in any field hit the top level right out of the gate. It is prudent to assume that you won't be an instant success.

On your mark, get ready. Where do you start?

Well, just like anything else, at the beginning. Focus on your customer. If you can offer her what she wants, you will be able to get what you want from her -- i.e., her business.

Let's think through why someone will choose to buy off the Internet or an auction site. There are, of course, many reasons but the three primary ones are worth repeating…

1) Convenience -- the commodity most in demand in our culture is **time.** Personally, I think it is amazing what people will pay to have done for them but there are many affluent people to whom money is of much less importance than convenience.

2) Price -- many other people search the sites for a great price. Sometimes an item costs more on an auction site than it does in the store but it's rare.

3) The merchandise is unusual. In our mass-produced world, there are more and more people who are developing an appreciation for quality, for craftsmanship, for uniqueness. That sentiment provides a marvelous opportunity for you.

Whenever you are seeking goods or services to sell, constantly ask yourself if it has one of these three qualities -- **convenience, great price or uniqueness.** If it does, investigate further. If it doesn't, move on down the road.

It goes without saying, no item… no sale. So start looking and be open to the possibilities. What items appeal to you? Which ones do not? What are the latest trends? What might be the next big happening? Search with critical eyes.

Get out of the house. Visit department stores, hardware stores, gardening and auto-supply stores. Go to the mall. Get on mailing lists and look at catalogs. Go to trade shows. Read lots of consumer magazines and study the ads. Meet new people. Make some phone calls. E-mail/write some letters. Try new foods, new hobbies, new sports.

Snoop around. Be curious. Think. **Have fun.**

This chapter deals with selling your own goods, a popular strategy for Net auction business owners. It does not mean you necessarily have the goodies in your possession, or have spent your own money to acquire them. This method has three variations...

1) Sell merchandise you already own

2) Find bargain merchandise to sell

3) Drop ship

Let's start with the first variation…

14.1. Sell Goods You Already Own

The first, and easiest, way to begin your Internet auction career is to sell goods that you already own. This is how most people begin and I certainly recommend this way for the novice.

Time to clean out your own closets, attics and basements. Obviously, there are many advantages to this method of spring cleaning…

1) Forget those garage sales. First of all, you don't have to sit in a hot garage all day long with a determined and cheery smile on your face. To have a successful garage sale, someone must be "on duty," available to answer questions and take money. If you sell those same goodies on the Internet, you can go about your life while the sale goes on. No need to spend your day sitting behind a table, chatting with strangers.

2) You have access to millions of buyers. You can go beyond your surrounding neighborhood.

3) There is no risk involved. You can try it out, see if you like it, and then decide if it is a game you want to play. Do you know of any other business that can be experienced in such a modest way? I certainly don't.

After you clean out your own house or apartment, you can start with your relatives. Surely, grandma doesn't need that old high chair anymore and Aunt Lucy doesn't read those Golden Books from your early childhood. What a thrill it is (and sometimes, an unexpected sadness) to see these old treasures move on to new homes and new owners.

However, if you are an eager auctioneer, you are eventually going to run out of personal goods to sell. Now what? Well, it's time to put on your shirt with the giant **"BH"** on the front -- your **Bargain Hunter** shirt and **begin looking for…**

… bargain merchandise.

The goal is to find merchandise that you can buy at a very cheap price and sell at a much higher one.

14.2. Where are the Bargains?

Bargain merchandise might be worth a fortune to someone else. Or it might not. But don't let that deter you. The thrill of the chase is intoxicating. Once it gets in your blood, you will develop that glint in the eye that marks a true treasure hunter. (Does this mean we are the modern version of pirates?)

So where are the treasures to be found?…

1) Garage sales -- Follow the **signs…**

… to Weekend Bargain Paradise.

If you have done your homework, decided upon your niche and researched prices on the auction sites, then you have a reasonable idea of what you are looking for and what you can afford to pay in order to make a profit. Many times people have no idea about the value of what they are selling. What looks like an old mismatched dish may be a valuable and rare piece of English dinnerware and that old book no one wants may be a first edition.

2) Tag sales -- These are usually located indoors, often in malls, old barn-like structures or empty buildings. There are many garage and tag sale hounds who live for the weekend when most such sales are held. You can be sure that somewhere amid all this flotsam is a treasure or two. Some of the best bargains in the world can be found at these sales.

Garage and tag sales aren't for everyone, though. It takes stamina as great items are found only by plowing through tons of junk. And competition can be stiff.

3) Estate sales -- Nothing stirs the blood of the pro shopper like hearing, "everything must go" or "selling to the bare walls." Such enticements often indicate an estate sale where the entire contents of a home are being sold because someone has passed away, or was moved to a nursing-home or is downsizing.

Sometimes professionals handle these sales. As a result, finding a bargain is more challenging. The most profitable sales are those in which the heirs live out of town. When this happens, the sale may be handled by neighbors or friends. Their main concern is to get everything sold. They just want to go home!

4) Thrift shops -- When things don't sell at garage or estate sales, they often get donated to charity for a tax write-off. Some people just prefer to skip the hassle of selling their throwaways and take the tax deduction. The charity then sells the goods in its thrift shop to fund its programs.

The stores are often musty, crammed, and disorganized so it pays to be a regular and know the days that new donations are put out. Usually the

employees in this kind of shop know very little about the value of their goods. That means you have to know your merchandise to find the bargains.

5) Consignment shops -- These stores receive most of their inventory from people who want to get rid of desirable items but can't be bothered with selling them. These sellers consign their unwanted goods to the shop. The shopkeeper receives a percentage, usually 25 to 50%, of the proceeds when the item sells. To ensure a steady turnover of merchandise, most shops limit the length of time that goods are held for sale. When that period expires, consignees must pick up the item. In some cases, ownership reverts to the shop if the owner fails to return for it.

Many stores start an automatic mark-down after a predetermined time. Not much haggling goes on before this point in time because the sellers have an agreed-upon price with the shop owners. When this mark-down time begins, opportunity knocks. If you get to know the shop owners, usually they will let you know when these times occur.

6) Flea markets -- they have constant turnover and huge amounts of items. Some of the dealers are incredibly savvy and others are totally ignorant. Sometimes dealers dump entire estates at many of the bigger markets. If this interests you, find a local market and work it regularly. As you become familiar with the usual dealers and their wares, you'll be better able to spot items that haven't shown up before.

There are pessimistic individuals who contend that there are no bargains to be had at flea markets. Yet there are Net auction sellers who regularly make six-figure incomes just from flea markets. (Maybe they're the ones who start these no-bargain rumors!) The best bargains are found if you're there at dawn or as the dealers are packing up at the end of the day or weekend.

7) Antique malls and co-op markets -- The dealers who rent these spaces keep them well-stocked with constant changes of merchandise. They are also an efficient way to shop, since you can see merchandise from dozens of dealers in one relatively small space. The quality of the goods varies from garbage to great -- sometimes even in the same stall. That is why you have to know your merchandise.

Most malls offer a 5-15% discount for dealers or have a dealer price coded on the tag. To get this discount, you need a business card or resale number or a tax number that verifies your status as a dealer. This isn't hard to get and if you are serious about this part of the business, I strongly urge you to do this.

You can also haggle and bargain. Always try to negotiate. Even if the dealer turns you down, you have lost nothing. Remember that the items for sale belong to specific dealers. The folks at the cash register only take the money.

If you have a question or want to make a lower offer, most malls are happy to pick up the phone and contact that dealer for you. If you find something that's great but overpriced, make an offer. Even if the mall can't reach a dealer, they may offer you a dealer's discount whether you have the credentials or not. It's their way of sweetening the pot. If not, leave your offer and phone number. The mall can ship the item later if the dealer accepts.

Antique malls often **feature…**

…attention-grabbing sales so if you're buying ahead of the curve, you might be able to wait until it is marked down. Check back the last week of the month. Booth rent is usually due on the first. If they haven't sold enough to make their rent, dealers might be motivated to make a sale.

8) Antique shows -- These are a great place to purchase items and learn about the market. Many people falsely assume that shows are overpriced. This can be true for some but many are not.

Shop in the same way you would for any auction. Make low offers on everything. You are bound to score on some of it. In some shows you may buy a premium admission ticket so that you are able to preview and buy early. One great purchase can easily cover the cost of your ticket.

In addition, some antiques shows offer benefit previews for charities and/or organizations such as museums. They throw elaborate parties the night preceding the show's opening to the public. If you are willing to join these groups and learn the key elements of this field, you will have the inside track on all kinds of merchandise.

9) Specialized collectible shows -- These are shows that are dedicated strictly to one field of collecting. You'll likely see lots of similar items and be able to hold them, inspect them, and learn differences in quality, condition and value. Price shopping and haggling is a must.

These shows often include wonderful learning opportunities such as lectures, demonstrations and exhibits. Take advantage of these mini-training sessions.

10) Traditional auctions -- These auctions can be a great place to find bargains and experience **an adrenaline rush…**

…as the auctioneer starts his "who-will-give-me" bidding call. However, live auctions and Internet trading differ substantially.

The business of auction houses is to sell items for other people and get the best price they can for their customers who consign items for sale. Auction houses make their money by a commission charged to the consignee and a premium paid by the buyer. Both are based on a percentage of the sale.

Net auctions aren't like this at all because the price is strictly between the buyer and the seller. There is no "middleman" except for very minimal fees (if any) from the auction site. Therefore, your customers expect to get a bargain.

11) Specialized clubs -- Whatever you collect, there's probably a club or association for it. Members generally pay a fee to belong, entitling them to a newsletter, price information and bulletins on conventions and shows. If there is something that fascinates you, join these associations to find merchandise and develop your expertise.

12) Small Internet auction sites -- There are many, many small auction sites that have very little traffic. If you are following the prices in your chosen niches, you can sometimes find products on these sites and sell them for a profit on the biggies like eBay, Amazon and Yahoo.

13) Outlet malls -- Outlet malls are collections of stores that belong to the manufacturers, rather than to individual shop owners who sell diverse merchandise. These stores stock products that didn't sell and therefore are "yesterday's" goods or they are "seconds," with slight or even major flaws.

14) Trade shows -- Trade shows are fabulous places to find merchandise. The vendors themselves are present and may be quite eager to deal with you. One great thing about trade shows is that you can sometimes find the more unusual merchandise that isn't in every WalMart.

If you live in or near a larger city, you can find these shows by contacting the Chamber of Commerce. On the Net, some helpful sources are…

http://www.tscentral.com/

http://www.tsnn.com/

15) Seconds and overstocks -- There are many stores that buy entire train or car loads of "seconds," overstocks and closeout merchandise, such as "Dollar Tree" or "Big Lots."

Many of their items are definitely not bargains but sometimes there are items that can be sold for a very generous profit. This is definitely a method for those who love to shop because there will be some fruitless expeditions. It is best to discover when shipments arrive and to make a quick tour through the store on a regular basis, searching only for those items that are new. You also need to think about shipping and handling when choosing items.

16) Specialized magazines and newspapers -- There are many people who sell goods who have absolutely no idea what their merchandise is worth. Ads in specialized magazines can be a gold mine! Magazines like the "Thrifty Nickel" and the "Trader" magazines (the "Auto Trader," the "Truck Trader," etc.) are examples. Almost every community has these "ad magazines" where the local citizens advertise goods for sale.

One wonderful phrase to look for is OBO, **"**Or Best Offer." That means the seller is very open to negotiation. Jot down this lucrative tip... when you go to bargain with an individual for merchandise, if at all possible take **cash.** The sight of actual money is a much more powerful motivator than a check. The seller knows that I am ready to buy at that moment. It's hard for the seller to resist because the sale is a done deal -- there's no "I'll-think-about-it-and-let-you-know" response.

Another important point about buying from individuals is this... **distance matters.** My time is too valuable to drive a couple of hours to make $50 or $100. I am sure that yours is too. The auction game is about making maximum money in minimum time.

Therefore, if you live in a big city, know your geography before you go looking. The only exception might be if you want to just practice your negotiation skills. Perhaps you have found something intriguing or interesting and you just would like to try negotiating. The extra time expenditure for traveling is secondary.

I learned a lot about real estate investment from a very successful guru who teaches a very important principle... **we make money when we buy, not when we sell.** This is absolutely true in the auction business. If you decide to tattoo any advice on your arm, make sure it is this valuable insight.

17) Wholesale -- There are many companies that specialize in wholesale merchandise. What is wholesale? It is "supposed" to be the price at which the manufacturer sells to the retail stores. Of course, we all know that merchandising games are played every day so buyer beware -- "caveat emptor."

There are really two distinct categories of wholesalers. The first are companies who wholesale the merchandise they manufacture. The second kind is an independent that buys large amounts of goods from manufacturers, stores them in big ugly warehouses and resells them. Some of them are open to the private individuals, and others sell only large amounts to other companies or to brokers. It's simple to find out their policies.

18) Closeout merchandise -- Closeout merchandise is the greatest bargain around. It usually means that **someone wants to…**

… unload items onto whoever wants to carry them next.

Closeout merchandise is distressed for some reason (i.e., "shelf life," trucking accident, end of fad). They are much cheaper than wholesale. The problem is that normally you can't buy just one. You must buy in bulk. However, you can usually buy samples.

Test, test, test! See if the one item sells, and if it does, buy more.

19) Pawn Brokers -- Pawn brokers are **loaded with inexpensive...**

… lightweight, easy-to-ship items. They can be a rich source of valuable merchandise.

However, much depends on the actual pawnbroker. His willingness to deal depends mostly on the neighborhood he works. Shops in more affluent neighborhoods are less eager to co-operate. Whereas in some less prosperous areas the brokers tend to be a bit more accommodating. It takes some scouting and legwork to find the right people.

There are some brokers who would do almost anything to help -- including permission to take pictures of merchandise and sell it without the item ever leaving the store. If you decide to do that, be certain to insist on a guarantee that they will hold your items. Otherwise, you may sell something and not be able to deliver to your buyer.

20) Ethnic treasures -- Another little-thought-of place to find fascinating, unique items are ethnic neighborhoods. The auction sellers get to know the merchants and establish a good reputation as folks who can move

merchandise. As sellers become accepted as insiders, people start bringing products to them. The sellers no longer have to go hunting. This is the ideal situation!

21) Find bargains on trips -- Any time you go on a trip, keep your auction eye peeled for profitable items. In the mountains of Tennessee, I bought several chess sets that were carved of onyx and quite beautiful. I averaged $60 worth of profit on those sets…

22) Other auction sources...

i) Local governments sell property confiscated from criminals, stolen property whose owners are a mystery, and equipment and supplies they no longer need. States and provinces also auction off property that is abandoned in safety deposit boxes.

ii) Airlines sell luggage that is unclaimed.

iii) Dry cleaners sell abandoned garments, often simply for the price of the cleaning bill.

iv) Storage facilities (the kind you rent by the month) are very hot business properties. They always have people who don't bother to keep up with their payments and often hold auctions and sell off goods at very low prices.

The owners are losing money if their space isn't rented. Storage facilities range from very sophisticated ones with their own trucks (who probably sell on the auctions themselves) to unsophisticated ones who just want that "junk" gone!

14.2.1. Government Bargains

There are lots of wild, underground stories that make the rounds. You know the kind. Someone buys a new Mercedes for $25 (well, OK, maybe not that good!) However, the reason for the stories is that there are many great, legitimate bargains to be had from the government. Governments are often more concerned about moving the product rather than getting top dollar.

Big government spends lots of money. There are bound to be mistakes, several even. As well, government agencies seize lots of goods for various reasons. The IRS seizes property to help pay tax bills. The Customs department takes property belonging to drug dealers.

In spite of the urban myths about the bargains, most people don't really know where to find these goodies. Therefore, the search may take a little work but there are great deals to be had. An easy place to look is the "legal notices" section of large newspapers. Other sources are...

1) Postal Service Auctions -- The Post Office sells off undeliverable merchandise which tends to be usually in the gift category. (Not too many cars are sent through the mail.) The Post Office operates regional centers. More information is available at **http://www.usps.com/auctions/**

2) Customs And Treasury -- **(http://www.ustreas.gov/auctions/customs/subscrib.html).** The Customs Department have different types of sales...cyclic (held regularly), specialty (held whenever there is a large volume of items, or for other specialty reasons), sealed bid (written bids must be at a certain location by a certain date), open bid (potential buyers may use publicly posted forms), quick (perhaps the items for sale are perishable, or there are "large amounts of low-value merchandise") and consignment.

3) Department of the Treasury -- **(http://www.ustreas.gov/auctions/)** The Customs Service is a branch of the Department of the Treasury so their auctions are intertwined. The Treasury Department has a subscription service for citizens who are interested in knowing about their auctions.

Government Auction Guidelines...

- Auctions sell "as is" in almost all cases.

- All auctions have an inspection period. It ranges from a few hours before the auction to a week or two.

- All items must be paid for in full before they can be removed from the auction site.

- Cash is always accepted. Cashier's checks and money orders are the preferred forms of payment. Some auctions, if run by a private company, will accept Visa, and Master Card. Always check with the auction to be safe.

The **National Auction Bulletin** at 800-327-2049 lists all kinds of auctions. You can also use **Finance Net (http://www.firstgov.gov/shopping/shopping.shtml)** and **Auction Advisory (http://www.auctionadvisory.com/)**.

4) Federal Communications Commission **(http://wireless.fcc.gov/auctions/)** The FCC holds auction with a variety of products. Their Web site also includes a "downloadable" handbook.

5) Real Estate -- If you are interested in residential real estate, contact...**GSA Public Buildings Service** at 1-800-472-1313 or... request a free copy of the **US Real Property Sales List from the Consumer Information Center,** Pueblo, CO 81009 or by calling 719-948-4000.

6) Militaria -- The U.S. government sells military surplus personal property through the **Defense Logistics Agency's Defense Reutilization and Marketing Service (DRMS).** Contact the DRMS at 74 Washington Avenue North, Battle Creek, MI, 49017-3092.

7) Internal Revenue Service (http://www.ustreas.gov/auctions/irs/)

8) Canadian auctions -- **(http://crownassets.pwgsc.gc.ca/text/index-e.cfm)**

14.3. Creative Product Ideas

Start your creative juices flowing. What can you find that will bring the money to you? Let's start with...

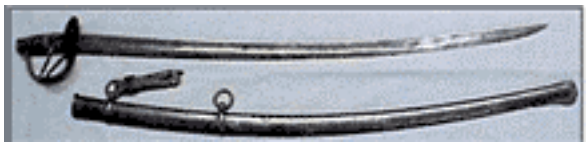
1) Connect allied businesses. For example, many B & B owners are full on weekends and during certain seasons but have vacancies at other times. Network with B&B owners and receive a referral fee for sending customers. Or contract with them to auction their vacancies for a commission. Or you could buy the bed and breakfast space yourself at a very reduced price and resell it on the auctions. Guests at a B&B will want to go to local attractions and you can sell event tickets or arrange transportation or set up an customized eat-and-play-and-see plan of action. There are many possible opportunities for **multiple income streams.**

Long term business success on the Net depends on diversification. Try not to be dependent on a single source of income (i.e., all your eggs in one e-basket). Visit **http://auctions.sitesell.com/** for more information on how you can reduce risk and effectively diversify your auction business.

2) Regional items -- Regional items can be very valuable. Almost everyone has something in their area that is unique and exciting to people from other areas, yet ho-hum to the locals. For example a friend recently bought a signed Amish basket for $15 and was offered over $100 for it when she returned home to Washington state.

The South is famous for certain plants, such as magnolias and dogwoods, along with the rich tradition of the confederacy and the civil war. The West has an entire frontier tradition with the fascinating history of pioneers, Indians and wagon trains. The smart marketer will romanticize these traditions.

Here is a "regional" product -- look at the price offered for a confederate sword…



CONFEDERATE DOG RIVER CAVALRY SABRE

Item #435399550

Collectibles:Militaria:Civil War

rrently $1,475.00 (reserve not yet met) First bid $50.00

3) Goods from other countries can be very profitable -- Serena and Willem went on a honeymoon to Ireland and Scotland. They were determined to leave their 9-5 jobs and create a business on the Internet. The problem was that they didn't have any particular interests that they thought were marketable -- until their trip. They returned home with fire in their eyes.

While visiting the wonderful countryside, they found small merchants offering goods that they thought were wonderful and began making deals along the way. The honeymoon became a business trip, as well as a life-changing experience.

They began on the auctions, offering an item here and there. With their success, they built a full-time business that they now run out of their home, selling jewelry, books, pub memorabilia, fabulous sweaters and family crests, all from Ireland and Scotland.

Another gentleman makes a six figure income by selling masks. He imports them from Africa, Asia and South America. Some are whimsical, many are fierce but they always sell. If you know what you are doing, as he does, the profits are enormous. If you don't, you can lose substantial amounts of money. Always start out v-e-r-y slowly if you sell anything that requires a large investment from you.

4) Event tickets -- Tickets are often hot sellers on auction sites.

5) Catalog sales from home -- There are some wonderful companies that will sell you items at reduced prices, drop ship for you and have catalogs that you can use yourself by merely adding your own name.

Examples are Specialty Merchandise Corporation, 9401 De Soto Avenue, Chatsworth, CA, 01311, 888-990-7468 or the Mellinger Company, PO Box 596, Santa Clarita, CA, 91380-9056.

If you look in business opportunity magazines, you will find others. Observe some **caution** with these... some of these kinds of businesses are franchises with major fees involved. Others don't call themselves franchises but they are anyway.

6) Collectibles are a gigantic business -- Collectibles are hot, hot items. In fact, if you absolutely have no category interests whatsoever, this is a very **strong** category to latch onto. There are sites that are worth studying because they will help you to discern the current frenzies...

http://www.collectiblestoday.com/

http://www.ahs.com/

http://www.nationaltvbargains.com/

7) Sell hard-to-come-by merchandise -- Items that are very rare usually sell quite well indeed. Watch for limited editions or custom-made products. As I said before, **uniqueness sells!**

14.4. Passion Rules!

There are some very smart auction folks out there. These people have researched their interests, found objects they love and learned how to make money by following their passion. We can study and learn from them…

1) Be creative with clothing -- Clothing is a strong seller on some of the auction sites, and certainly lends itself to a lot of creativity. It is easy to buy clothing for very, very low prices and jazz it up to become quite an interesting item.

The auction sites themselves are a great source of supplies for folks who love to personalize clothes. For example, old buttons from the 1890's have a listing…

The same seller offered 5 pounds of Victorian buttons. Look at the price for these little beauties…

OVER 5 LBS OF GREAT OLD BUTTONS!! Victorian++

Item #437420680

Collectibles:Vantage Sewing:Buttons

Currently **$360.00** First bid **$9.99**

2) Sell tools -- A retired carpenter with a fascination for tools, discovered a source for tool boxes where he could buy them very cheaply. He then auctions the boxes and receives a high profit. He often includes specialized tools with the box. Or he will create a collection for special people. For example, he has one collection that is for the newbie homeowner or a teenager just getting started with tools. The seller has a collection for anyone who wants to build wooden furniture. He also auctions gift certificates for his special collection.

3) Make ordinary items special -- One woman of my acquaintance has found a great buying source for inexpensive bed trays. She decorates and personalizes many of them while others are sold as is. She also discovered a source for marble paper towel holders.

4) Turn your hobby into money -- One successful seller has a mania for teapots. Since she is a smart marketer, she always includes small "extras" with her pots... recipes for various teas or cookies, instructions on how to stage a "high tea" party for your friends, a tiny sample of a unique jelly to put on scones, pictures of what the well-dressed woman will wear to a tea, how to make flavored honeys, or directions for making a tea cozy.

This bright lady illustrates a very important and lucrative idea. It takes very little imagination or creativity to make your items really special. Just add small

touches such as these that will delight your audience and make you and your products memorable. Every seller can go this extra mile, no matter what your product.

5) Outdoor equipment is popular -- One seller who loves the outdoors began by specializing in all kinds of tents. These sold so well that he expanded his inventory to include all kinds of camping gear, and then added fishing and hunting equipment. When you buy one of his products, you are offered a free subscription to his electronic newsletter. He regales the reader with stories of fishing trips, hunting trips, climbing mountains and other such outdoorsy stuff. This seller is a perfect example of someone who has found a way to make money (lots of money) by following his passion.

Here is an example of a seller who understands the power of handmade items…

48" Hickory Walking Stick These rustic sticks are hand selected, hand-crafted from American Hickory. Dried in a drying house for 6-8 weeks, straightened, sanded, weatherproofed and fitted with rubber tips and leather wrist straps. Each is adjustable in height by removing the rubber tip and cutting off what is not needed. Perfect for the outdoors, but also great as a neighborhood walking staff. A friend on the trail - you'll enjoy it for life. Take a look at the picture (click on image to enlarge) A FANTASTIC GIFT!!! or something you may want for your yourself !! I will accept money

The description is clear and the benefits are clearly stated.

SIDEBAR

Camping equipment is very popular on the auction sites... in the **warm months**. The power of seasonal attention comes into play. Identify what you are going to do in the "off-season" to compensate.

6) Become a specialist in children's items -- If you are interested in children's items, here is something important to keep in mind. Otherwise sensible people will spend **incredible** amounts of money on goodies for children... money they would never spend on themselves.

7) Advertising signs are popular -- Grant makes almost all of his money off advertisement-related items. He sells tin signs which could advertise Coca Cola, Volkswagen, Route 66, Genuine Ford Parts and Shell Premium Gas. As well Grant has older companies like Ronco and Dr. Bruner's Miracle Tonic.

Some of his signs are reproductions but he also sells lots of genuine antiques. He finds these by poking around antique stores and flea markets and making contacts along the way. Poking around can be profitable!

8) Bath items are always in season -- Another smart lady, whom I have dubbed the "Boudoir Babe," specializes in bath items that pamper her customers. Some of her best sellers are eye masks. She also sells a package that usually includes a stainless steel back brush, a loofah bath mitt and a long loofah back scrubber.

This is a perfect example of the power of "bundling" items. Boudoir Babe keeps careful records and insists that she almost doubles her profits by selling them this way. For example, she has five items that normally sell for $5 - $7 each. If she groups them under a romantic name, they usually sell for $50 - $60. **Same items. More profit.** Less trouble because she ships several items to one person.

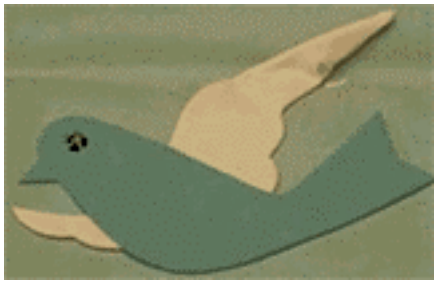
Value-bundling gives the customer the great feeling of getting something for nothing. Products that have a logical association with one another are grouped together and one price is set for the combination.

Value-bundling is a powerful method if the price of your bundle equals the price of the **most expensive** component. Customers are willing to pay that much for just that single item so, in their minds, the rest of the bundle is simply a delightful bonus.

9) Specialize in linens -- There are towels, great looking fabric shower curtains, bedspreads, even sheets that are successfully sold on auctions. Some sellers add lace, embroidery, appliqué and fabric paint to make one-of-a-kind items that sell for a premium.

Here is an example of a smart way to sell your merchandise. The seller is selling this canvas shower curtain...

The birds on the curtain are embroidered. She has a close up of the bird itself so that her customers can appreciate the details…



10) Pick up seasonal merchandise -- There are smart folks who enjoy shopping and don't mind storing items. After a season or holiday is over, the unsold items can be bought for almost nothing because the stores simply want to unload them. If you don't mind waiting for your profits, buy large quantities of these. If you regularly do this, you will have profits coming in year round because there is always a different occasion looming on the horizon.

11) Sports memorabilia and cards have a large following -- I assumed that most of this memorabilia was vast in quantity but low in price. Well, "it ain't necessarily so!" Here are some of the pricey items for sale... a signed baseball from the 300 Win Club at $400, a picture of Sandy Kofax at $2750 and a bat signed by the 1986 New York Mets at $775

12) Outdoor activities need equipment -- Rachel auctions mountain climbing gear and she uses a great marketing tool --herself. Rachel's ads all include really colorful pictures of herself, her friends, campfires, great scenery, the first flower poking its head through the snow and so on. Everyone who buys something from her automatically receives her very colorful newsletter, unless they opt not to. And why should they? They're all mountain climbers themselves or at least they fantasize that they are.

13) Buy food in bulk -- I have a favorite supplier who sells food in bulk **(http://www.bulkfoods.com/).** One day, I received an e-mail from Tallie. She had been offering dried apricots for sale, without much success. She studied my ads and began copying them. She wrote to thank me for the ideas.

What did I do differently? I offered all kinds of ways to use these food products. For example, I had a wonderful salad at a Houlihan's restaurant which contained dried cherries. I got a take-home version and included all the ingredients. A picture finished off my ad. I have also offered recipes for sugarless muffins and jams made with dried fruit (nice appeal for the weight conscious).

What does all this add up to? **Spinoffs.** Use your imagination and be creative. So many possibilities come to mind... how about creating gift baskets filled with product? Or pictures of the items in really pretty bowls or jars. Then

sell the bowls and jars, too. Make a cookbook full of healthy recipes. Or develop a special edition for diabetics or for weight loss. **Diversification** in action, once again! See **http://auctions.sitesell.com/** and find out how **Site Build It!** can help you generate traffic and then monetize that traffic profitably.

14) Concentrate on TV products -- The discount on these usually isn't very high, even to wholesalers, so your profit per item may not be great. Nevertheless, they are usually very easy to sell.

Yellow caution light ahead... just be aware that where the money goes, **the chain stores follow.** Even if the auctioneer sells a huge number of this kind of item, many of her buyers will be very unhappy when they see this lower price elsewhere.

14.5. The Joy of Drop Shipping

Many auction sellers are surprised to find out they can sell merchandise they don't own, may never see and best of all, definitely don't have to ship. There are many companies who will **drop ship** items for you.

What exactly is "drop ship"?

It is a sales strategy used by many businesses, especially small companies. These are often the companies who can't afford ads on the Super Bowl or infomercials that run several times a day. They don't have a large sales staff and they can't afford large spreads in national magazines. Therefore, they will sell merchandise at reduced prices to small buyers like us. We act as their unofficial sales people.

It's a win-win situation. The company sells more merchandise than they could ordinarily sell. Your Net auction business wins because…

1) You don't have any financial **investment** in the goods you are selling. If the merchandise sells on the auction you receive payment from your buyer and send part of the money to the company. Most of them will mail to your customer with your mailing label on the box. If the merchandise doesn't sell, you have not risked your money and have no capital tied up in merchandise.

2) You do not need to bother with the **shipping and handling** of these items. You are free to pursue your real love -- finding exciting and salable goods.

3) Many of these companies have professionally created **catalogs and/or pictures** that you can use on your auction site. The quality may exceed that which you can achieve with your own camera or scanner.

4) There are **no goods to store.** This can be a huge advantage. My dining room often looks like a warehouse, piled high with merchandise and tape, labels, bubble wrap, etc. Entrepreneurs who have had cases of products from MLM companies stacked in the garage will be especially appreciative of this bonus!

5) This works best with **higher-priced** items. If you are going to sell 50 widgets at $2 each, you are either going to have to take possession of them and mail them yourself, or you are going to have to pay a gruesomely expensive shipping charge to your supplier.

There are ways to create your own sources. All it takes is know-how and some effort…

• **Use catalogs** -- This is the very best way to find companies willing to drop ship for you. Get on the mailing lists of every catalog you can find in your chosen niche! Do this even if you aren't interested in drop shipping because it will help keep you informed about your merchandise.

There are some fine catalog directories. Your local library may have one or more of them, or you can buy them yourself. While some are expensive, others are relatively modest in cost. Here are some of the best...

Catalog Age, PO Box 4949, Stamford, CT, 06907, 203-358-9900

The Catalog of Catalogs, Woodbine House, 6510 Bells Mille Road, Bethesda, MD, 20852, 800-843-7323

The Directory of Mail Order Catalogs, Grey House Publishing, PO Box 1866, Lakeville, Ct, 06069, 800-562-2139

National Directory of Catalogs, Oxbridge Communications, 150 Fifth Avenue, #303, New York, NY, 10011, 212-741-0231

Catalogue of Canadian Catalogues, Alpel Publishing, PO Box 203, Chambly, Quebec, J3L 4B3, 514-658-6205

Another way to find catalogs is to read magazines in your field of interest. There will be all kinds of merchandise and catalogs advertised in their pages.

Not only will the catalogs give you ideas about product and what is hot but you can often find bargains. Many catalogs have occasional "clearance" issues

that can be immensely profitable. There is **no risk** with these kinds of items because you have them sold **before** your order them from the company.

2) Create your own sources -- This is a very lucrative technique! Almost no one realizes that it is possible to create your own sources of merchandise. **Go on a…**

… source-hunting safari! Just because a company doesn't advertise that they drop ship doesn't mean they won't do it. The worst they can do is say no, in which case you are no worse off than you were before. Perhaps a company has just never thought about it!

Begin prowling the large chain stores, looking for items that are intriguing. When you find them, check the packaging and investigate the manufacturer. A MicroSoft or Procter and Gamble product? Put it back on the shelf and keep looking. Huge companies like that aren't going to make a deal with an individual auction seller. But when you find something that says, "Bob's Garage" in Tickfaw, Louisiana, make a note of the address. This may be the exact item you are looking for because Bob may be very willing to drop ship this item for you.

The margin of profit that a manufacturer receives from a chain store is very slight. During a discussion with a WalMart employee, I was astonished to discover that on a $3.99 item, the manufacturer made less than 40 cents. You might be able to offer Bob much more than he would make selling to the chains. Even if you can't do that, you represent extra business. Why would he turn you down? You might be able to make quite a deal, especially if you are going to do a Dutch auction.

I got this idea when I read an article in one of my favorite newsletters which described a gentleman who found an intriguing device in the automotive section at WalMart. It was a small tool that sharpened windshield-wiper blades so that they lasted longer.

He bought the item in the store for a few dollars. Then he contacted the company who agreed to sell them to him at half-price and drop ship them as well.

This smart man sent out a few press releases and managed to get a small write-up in "Popular Mechanics" magazine. He immediately made $7,000+ in profit on this small item, and orders trickled in for quite some time afterwards.

SIDEBAR

If I had known him personally, I would have suggested that he use this valuable publicity to create a sensation on all of the Internet auction sites. His headline could have included, "As seen in Popular Mechanics...". This **cross-promotion** would have added greatly to his bottom line.

I have used this search-and-find method many times...

- TV trays and picture frames discovered at "Bed, Bath and Beyond."
- Garden ornaments discovered at "Home Depot."
- A wonderful journal with unusual pictures on the cover, discovered at "Borders" bookstore.
- A great money-maker was a galvanized metal outdoor thermometer that sold at "Target" for $14.99. The manufacturer was willing to drop ship it for $6.74. I had three different Dutch auctions with this item. It sold for $9.99, $10.05 and $12.20. I made over $1100.

The most important rule to remember when looking for sources? **Be a good detective and...**

...keep your eyes open. I went hunting with a friend who is new to the auction game. We went to only two stores and emerged with a list of **61** possibilities! Fellow auction fanatics all discover merchandise by snooping through large stores. Major furniture stores are good sources for finding lamps, baskets and other decorative items.

The key is to look for merchandise that is **unusual, unique, different, etc.** Remember, someone will buy your item if the price is really outstanding or if it cannot easily be found elsewhere.

Heavier items are a natural for drop shipping because they are such a pain to mail. Everyday, china is successfully sold on auctions. Of course, fancy, expensive and/or rare china sells well but there can be a lot of profit in the ordinary, too. Plates, bowls and mugs can all be found at low prices.

3) Find businesses that don't know how to market -- There are s-o-o-o many people who create a business without giving a thought to marketing.

When the light dawns, and they realize they have no customers, they are merely resentful and annoyed about the whole thing. These kinds of people can be our natural partners to the benefit of us all.

Lucky Jon stumbled across a family with a small, not-very-profitable business making tables that really are works of art. Jon sells this fabulous furniture and the family happily ships to the lucky buyer. The table-makers are thrilled because their business has dramatically increased.

This seller used a tactic that can be quite valuable. Sometimes it is possible to create a **contractual relationship** with the producer of a great product. You can sign an agreement that will gain you exclusive marketing rights for a product. Usually, these agreements are dependent upon a certain number of sales. They often have a time limit, and/or are renewable for a certain number of years.

Some auction learners wonder why the producer doesn't do it themselves. Sometimes the producer tries to change his mind once he understands how lucrative it can be. An exclusive marketing rights agreement is a way to protect yourself.

There are some really silly Drop Ship Directories that circulate around the Internet and home business magazines. I have bought several of them and have found them to be quite useless. There are usually a couple of companies that are worthwhile but not many. Develop your own sources!

To truly show the power of this strategy, let's look at an item I have auctioned repeatedly, the Torso Track and Torso Track II. I located a source for these two exercise machines and got the pictures for my listings right off my supplier's Web site.

Did I do well? Well, the profit per item isn't anything fabulous. I made between $20 - $35 per sale. And I sold 10 – 20 of these per month. So my monthly income from this one item was between $200 - $700 per month. Nothing to make anyone rich, right?

But here are the important points...

i) I didn't ship anything! My distributor handled all that for me and I didn't have to bother with it at all.

ii) The company guaranteed it for 30 days so I didn't have to concern myself with that part, either.

iii) I risked no money at all, except for the fee that I paid eBay for my listing. The great part was that most of my customers paid me through PayPal. So

when I received their money, I paid my supplier out of the same PayPal account and just kept the extra for myself.

iv) It was so convenient and quick. I ordered my customer's Torso Track right online. There was an account sheet that was created especially for me, complete with ID and password so that no one else could access it. I then sent an e-mail copy of the order to my customer so that they felt comfortable that they would soon receive their merchandise.

v) There was no extra work to repeat the auction indefinitely. I spent approximately half an hour creating an ad, and I just re-submitted the same ad, again and again.

Do you see the power of locating your own sources? And how did I find my supplier? I just wrote and asked if I could sell their products wholesale. When you find something you want to sell, locate as many sources as you can and write to all of them.

Why write to several? Some will say no, or have a minimum number of orders, or not respond at all. But even if you are turned down, are you any worse off than you were? On the positive flip side, several companies will agree and you want to find the best price that you can.

An insight that needs repeating… **I never use a supplier without first buying something myself.** You do **not** want to sell something and then have trouble with your customers because the merchandise doesn't get shipped!

In this case, my source said I would receive my merchandise in 8 – 10 days. I wrote the order date on my calendar and kept track of the delivery time which was exactly eight days, just like they said.

This chapter basically dealt with auction items of a more general nature. The emphasis was on propelling your auction business forward quickly. **Lower-priced items attract more potential buyers faster.** So by using the strategies outlined above, you can easily increase your auction experience and build your business at the same time.

Now it's time to remove the wide-angle lens and examine other equally profitable directions that your Net auction business could take. We'll start with a very **creative** option…

15. Stand Out With Unique Items

The primary reasons why people buy at Net auction are for uniqueness and convenience. Make that your Net auction mantra and lodge it firmly in your mind. Selling at an auction automatically provides the convenience that many customers are seeking. So let's zero in on uniqueness, the idea of something being one-of-a-kind... or, at least, something that you can't buy in Wal Mart.

Basically, there are four strategies to find and sell unique items…

1) Create them yourself.

2) Publish your own high profit product.

3) Acquire exclusive rights.

4) Choose private-labeling.

15.1. Create Your Own Product

What's the most common lament heard from the lips of the average consumer today? "Same old. Same old." The same chain restaurants, the same labels on our clothes, the same furniture design and the list goes on. Add a decline in customer service and product quality into this pot of emotional flatness.

And what boils up?

Golden opportunities rise to the surface for the entrepreneur or business owner to develop their own unique product.

The profit potential can be terrific because costs are so low for the craftsperson. There is no manufacturer to pay and the materials are usually very inexpensive. However, these items are costly in terms of **time** which is why they can often command very high prices. Anyone involved in this end of the business must truly be passionate about what they are doing.

There are literally hundreds, probably thousands, of wonderful items on the auctions every day. We could have an entire series of books just on products and ideas. However, to keep this chapter within reasonable bounds I have chosen examples that demonstrate certain principles to follow in choosing items to create and to buy.

One of the most powerful profit-producing principles is to minimize circumstances that are beyond your control. The best way to do this is through

exclusivity. Whenever possible, **own** the product you are selling. We're not just talking about the possession of an object. We're talking about owning the rights to a design, an intellectual property, or an invention.

One powerful way to do that is to create your product yourself...

1) Use what Nature has provided for free -- An enterprising jewelry-maker picks up stones on the beach and makes jewelry out of them. While her actual jewelry supplies may have a minimal cost, obviously the stones do not. This is almost total profit and a great example of creativity and ingenuity using what nature provides.

2) Turn ideas into profit -- Need some type of spark to get your neurons firing? Make way for your own personal switchboard for idea generation…

Niche Idea #1

One enterprising lady named Priscilla turned a nuisance into a profit center. In her backyard there were many kumquat trees planted by a former owner. These trees produced huge amounts of these tiny fruits and the current owner couldn't begin to use it all. In fact, the fruit fell to the ground, rotted and attracted all sorts of critters who also ate her other plants.

Unlike some grocery store produce, her kumquat fruit is very sweet with never a trace of bitterness. Mostly out of curiosity, she bought some inexpensive baskets and filled them with her fruit, and listed them on eBay. To her surprise, this liability sold for very high prices. She guaranteed the sweetness and sold everything she had, making several thousand dollars in profits. This season, she plans to enlarge her product line by adding other items such as kumquat muffins and jam.

It must be noted that already-prepared food that isn't packaged in a factory is relatively rare. But exceptions can be found. Quality, freshness and great packaging are essential in you decide to go this route.

The disadvantage to Priscilla's kind of product is that it is so seasonal. If Priscilla decides she wants a year-round business, she is going to have to expand what she does. It wouldn't be hard, however, to create a reputation as the "Kumquat Lady." Creating a niche in the market is the best way to build an Internet business... or any other kind of small business for that matter.

Priscilla could branch out with recipes, jams, cakes, gardening advice, a column in a magazine, a cookbook and more. She could promote all these items on a Web site.

Site Build It! (http://auctions.sitesell.com/) makes it easy to create a traffic-generating, sales-producing Web site, regardless of experience or technical knowledge.

Niche Idea #2

An avid gardener in Atlanta grows attractive and popular flowers called impatiens. But hers are unusual because they re-seed themselves. Nurseries prefer to create plants that do not re-seed themselves so that they must be purchased again each year. (From the nurseries, of course.) In fact, it is virtually impossible to find these plants in the usual garden stores.

This lovely lady had an ad in a small gardening magazine and decided to try out an Internet auction. They were an immediate hit and she could have sold many, many more. It was the beginning of an auction obsession with her. Since then this entrepreneur has sold countless numbers of plants.

This is a perfect example of the power of the Internet auction. She has made tons of new friends, from as far away as Japan, and acquired many new plants. She now spends almost as much time on her computer as in her garden!

When plotting and scheming for your business, pay attention to the ideas that surround you. Borrow from other businesses. For example, Book of the Month Club, Literary Guild, all the CD and tape clubs, have made zillions of dollars providing such services. Why not offer one yourself?

Niche Idea #3

Four teachers in Indiana all quit their jobs within a few months of each other because they wanted to stay home with their young children. They formed a social group and remained friends for about three years before they decided they wanted to make some extra money.

It took them a few months of trying and discarding ideas before they decided they wanted to focus on the idea of creating outdoor rooms. Warm months in Indiana are very precious so they decided to capitalize locally on the mania for outdoor living. Their first products were garden stakes made of metal. Some have glass inserts as sun catchers and other have holders that provide space for a candle. **The stakes all add to…**

… the beauty of the surrounding nature. They were so successful that they slowly added other products, such as outdoor furniture, umbrellas and plant holders.

However, they live in a tiny town and felt the market was becoming saturated. Much of their merchandise was too heavy to haul to flea markets so they had to

settle for photographs. Folks in their area were suspicious of buying from pictures and the method didn't work all that well. In addition, the flea markets are most popular on weekends and this was against the ethics of the group. After all, the reason they quit a regular job was to be with their families! If they were gone all weekend, they were defeating their purpose.

So for these ladies, the auctions are a godsend. One of the greatest advantages of an auction is that you don't have to be there to sell! And for folks who value weekends and family time, auctions are awesome!

Niche Idea #4

One clever entrepreneur made a lot of money by duplicating an old collectible. He spotted a picture of the famous old flag, "Don't Tread on Me" in a history book and had it copied. The print was from 1800's so therefore it had no copyright. It is possible to find thousands of old books with this kind of material. Look around you and see what people are buying. How can you cash in on these trends?

Niche Idea #5

Pets and their paraphernalia are big business. Here are some products that have sold very well on an auction site…

- A book that tells which motels will allow you to bring your pets
- Products from dog biscuit bakeries
- "Catsumer Reports" magazine

There are many people who are devoted to their pets and will spend huge amounts of money on really extravagant things for their pets.

Niche Idea #6

Ah! Summertime **and the living…**

… **is e-a-ssssss-y!** Craig, Bill and Colin make hammocks -- beautiful, sturdy and artistically pleasing hammocks. They do brisk sales on eBay and other sites. However, their business is very representative of a particular problem... what to do in the "off-season"? After all, not too many people in Maine are interested in hammocks in January. These three do such a great business that they are busy all winter making their incredible hammocks. Not all sellers aren't that fortunate.

If you choose a seasonal product, think about what you can sell in your "off" season. Perhaps you can design pre-fab kits for the do-it-yourselfer who likes a basement project during down time.

Niche Idea # 7

A trio of sisters does a thriving business in blankets, especially quilts. They are so prolific that they can create a quilt in as little as four days -- one that will sell for $300-$400+. They have been in this business for a long time. Even though they have already given quilts to friends and family members, their inventory was still occupying every available space. Their only sale outlet was the traditional craft show or flea market.

None of them wanted to spend their weekends at these events so they were thrilled when they learned of Internet auctions. They also welcomed the extra money since they are all live on small retirement incomes. (This is another power of the Net auctions. Senior citizen, at-home caregiver, disabled -- it doesn't matter what your personal situation entails. Anyone can participate and do well.)

These retirees were able to take a trip to Scotland and Ireland last summer to **learn...**

... new quilt and blanket patterns, compliments of their eBay auction money.

Niche Idea #8

Tommy and George are good friends who make and sell kitchen carts. They have different sizes, styles and materials to choose from and the carts sell for high prices because they are so well done. They used the sales they generated from eBay to expand into catalogs and specialty stores.

George's wife Sharon really understands marketing. When they ship a cart, it always contains an unadvertised bonus that the customer didn't expect. The two randomly include such items as recipes for seasonal dishes, a high quality or unusual kitchen tool, gift certificates for coffee or baked goods, beautiful paper napkins or packages of bread mixes. Since they don't mention these items in their ads, the customer is always delighted.

Keep an eye out for specials. They make great bonuses that you can include with your merchandise and they cost you little or nothing. This is a very powerful marketing technique for developing **customer loyalty.**

Niche Idea #9

Two potters in North Carolina are masters of their craft. They create really beautiful flowerpots, vases, pitchers, mugs and plates. The two enlist their wives as painters and the delicacy these women achieve is astounding. The potters decided to avoid the overhead of a regular retail store so they were peddling their goods at flea markets and other such places.

You guessed the solution. Net auctions! They are thrilled that they don't have to pack and lug around heavy boxes loaded with heavy pottery. They celebrate the fact that they can spend more time making pottery and less time selling.

Niche Idea #10

Glenda Kay and Ray know that personalization pays off. They sell items for kids. They don't actually create the basic products themselves. Instead, they buy very inexpensive unfinished items and add their own touches and personalization. They can create more product in a shorter time that way. For example, they buy the headboards as a very stripped-down, basic model and do the padding themselves. They can buy a twin headboard for as little as $17 and the finished product, depending on what the customer wants, may sell for as much as $350.

The key point is to make your operation/business as **efficient** as possible. And remember to factor in time as an expense.

Niche Idea #11

Jennifer is enchanted with the sound of running water and she sells small, indoor fountains. She is noteworthy, however, because she illustrates an income-boosting principle -- **offer different buying options to your customer.**

Jennifer sells her product in two ways -- ready-made or by kit (for the more price-conscious shopper). She starts the bidding on the kits as low as $2, knowing the price won't stay that low. The more expensive versions are ready-made.

This seller has many different styles and materials so the prices vary widely. She experimented with Dutch auctions and single item auctions and decided that she makes more money by selling one at a time. Therefore, she sells on many different sites at the same time. She doesn't want to saturate her market. She also enjoys the give and take of flea markets and bazaars and continues to market her fountains there.

Niche Idea #12

Martha and Warren were frustrated avid gardeners. Gardening in Mississippi in the sultry summers is a genuine challenge. The weeds love the hot, moist days, too. Martha grumbled constantly about how much her back and knees hurt, when she's down on the ground yanking out stubborn weeds. So they decided to **use…**

…raised beds.

Over the winter months, they designed their own particular plans for beds that would be more than a foot off the ground, making the entire process much easier. They made these for themselves with no thought of creating any business opportunity. But everyone who came to see their extensive gardens was so impressed that they decided to market their idea. They now have a full line of products including planters, window boxes and books that show how to use their products and grow great plants.

As the saying goes… **Necessity** is often the mother of invention.

Niche Idea #13

Brothers, Ross and Ralph, would get along great with Martha and Warren because they are crazed gardeners, too. They were unhappy with the edging materials that go around the outside of flower beds. Their problem was that they didn't want their yards to look just like everyone else's. So they created their own edging.

Like Martha and Warren, so many people wanted their edging that they began selling it. Their edging is so classy compared to what can be bought at the chain stores. Their materials are varied -- rocks, plastic, metal, concrete and wood. The customer can choose among various standard designs, or for an extra price, they can create their own.

The brothers profit by knowing one marketing fact... there are many people who will pay **premium** prices for products that are different. Their customers' yards are not like "the neighbour's".

Niche Idea #14

Can you imagine paying a couple of hundred dollars for a kite? Some high-flying collectors **do just that…**

... willingly and happily!

Blake has had a life-time love affair with kites. Even as a child, he began creating his own, with torn-up rags for tails. He laughs when he describes his early experiments and how bad they were. By his twenties, he was flying incredible dragons, birds, and a gold Phoenix. He even invented ones that had several birds attached with cords so that it appeared that an entire flock was sailing gracefully overhead.

When he flew his kites on weekends, crowds would gather to watch the incredible contraptions. So many people asked for his kites that he began giving serious thought to a kite business. He decided that he would give the auction sites a try with one of his kites. He began the bidding at $20 and it sold for $186.70!

He was so shocked that he decided to sell on a permanent basis. He now makes more money selling kites than he makes at his job. His wife Gwen is a graphic designer. She has created a gorgeous brochure that he includes with every kite. It is filled with details the history of kites as well as teaching how to fly one.

This is a great example of a **targeted niche.** Based on your experience or hobby, what type of product could you create that would capture the attention of other like-minded folks?

Niche Idea #15

As a child, Lewis had a heart condition that prevented him from most physical activity so he became interested in music -- specifically, the dulcimer, a very uncommon musical instrument these days. It seemed inevitable that he would someday begin to make his own. Soon he had so many that he could never, ever, play them all. He tried giving them away but there were very few people in his small town who were interested.

He finally set up a booth at an annual Labor Day craft fair near Atlanta, and began to find people who might be interested in his passion. But sales were still slow. When the Internet came into his life, he found interested people online and began selling to some of them. And then when the auctions came along, he was jubilant and became an early seller. He now has a thriving business as a full-time instrument maker and often plays for audiences to further promote his business.

The Internet is a perfect venue for someone like Lewis who was unable to find people with the same passion in his own small pond. The Net auctions open

up the world and Lewis has sold many of his instruments in eastern European countries.

What's the take-home message? Uniqueness is the result of thinking "outside-the-box." Examine what you do and use daily. Is there a potential product or service that you could create and auction?

15.2. Publish Your Own InfoProduct

High profits... the goal of every business owner. Possibly the most lucrative products to sell today are **information products.** There is an insatiable demand for information, especially in smaller, niche categories.

Everyone has information that is of value to others. It's a matter of putting it together into a marketable product.

At a recent entrepreneurial meeting I mentioned this idea and was met with overwhelming opposition. All of the objections centered around two perceptions: that there is very little profit in information products and that certain skills are needed to create these products.

Wrong on both accounts.

No matter what is your business model (i.e., high price/low sales volume or low price/ high sales volume) people are willing to pay for the convenience of knowledge at their fingertips.

There are lots of ways to create an information product…

- **Write your own manuscript.** All that is required is brain power and time.

SIDEBAR

Channel your experience, knowledge or passion and become an "infopreneur." Provide quality information about the topic you know and love on your Web site. **(http://infopublishing.sitesell.com/)**

And… create and publish your own e-book about your subject matter. People are willing to pay for the convenience of having much-needed information at their fingertips. Use what's inside your head to generate income! Need some direction? Visit **http://myks.sitesell.com/** for more how-to details.

• **Turn your speech into a book.** Author and speaker Mark Nolan relates how he was paid $1500 to make a speech. The speech was taped so Mark had it transcribed by a secretarial service, tweaked it a little bit and published it as a book.

• **Use a "teaser" to attract customers.** Intellectual property can effectively be used as a "teaser" to get interested parties to your Web site. For example, you might have a garden site and during the middle of the summer, you offer a special report on plants that thrive in blazing hot sun. You offer enough information for your prospect to use but you let them know that there is more... much more. Where? On your Web site, naturally.

• **Find a local class.** If you are scratching your head and thinking that you don't know anything worth writing about, then find someone who is teaching an interesting subject in your local area. Speak with them about making an audio or videotape of their class and turn it into an information product.

You don't need to limit your product to printed or electronic material. You can successfully sell cassettes or video-tapes or do video/audio online productions.

• **Use a ghost writer.** If you are not sure of your writing abilities and/or don't have much spare time, **hire a…**

… ghost writer. You provide the content. Your ghost writer provides the style. Often it is possible to hire a non-professional or a student for a very modest price.

• **Review government publications.** Take advantage of some of that tax money you pay to the Feds. The U.S. and Canadian governments have reports written on all kinds of amazing subjects. And none of them are copyrighted!

Of course, you wouldn't want to try to sell them "as is" because they are dull, duller and dullest. But you can take the information and flesh it out, add your own personality, and create an interesting piece.

Go to **Consumer Information Center (http://www.pueblo.gsa.gov/)** for ideas.

• **Find a partner.** Another possibility is to work with someone else and split the profits. They do the writing and you provide the knowledge, experience and research for the information product.

• **Interview an expert.** A very simple method is to get a telephone recorder and interview an expert. From your notes, develop a print or electronic product, or both. If you decide to use the tape recordings, create a simple guide to go with them.

• **Encourage people to tell their story.** The "Chicken Soup" books are composed of a collection of stories written by different people. Each inspirational book is geared to a certain target group. The success of this brand illustrates the profit potential of human interest stories.

• **Make money from research.** Another great possibility is to compile a directory. Perhaps you want to research Web sites that deal only with crafts. You could divide your product into various categories (knitting, crochet, cross stitch and needlepoint) and find relevant sites and annotate each one.

Or you might compile an anthology or a collection of interviews of other people. In this case, you would create a guide or questionnaire, give it to each person you are interviewing to complete and then you simply edit the collected information.

Cookbooks are a great example of this kind of product. Think of the infinite possibilities of cookbooks... special occasion books, books for specific targets, books with cultural cooking, books for specific foods, books for special diets like low-fat or high fiber. In other words, the combinations are almost infinite. And as an added bonus, cookbooks can be produced cheaply.

When the copyright on a book expires (or perhaps it never had one in the first place), the book becomes "public domain" which means that it is available to anyone who wants it, with no restrictions or strings attached. These two sites are great resources for public domain books… **http://www.promo.net/pg/** and **http://www.ipl.org/reading/books/**

For free legal advice on copyright law, consult this Web site at... **http://www.freeadvice.com/**

OK. Your mind is racing -- so many possible directions to go in. Before you spring into action, use these tips to ensure success…

1) Copyright your intellectual property. Here are some copyright protection techniques…

i) Write the idea down, get it notarized and mail to yourself via registered mail.

ii) Have the envelope seams date-stamped by the Post Office. Don't open the envelope but keep it sealed and put in a safe deposit box along with the postal receipt.

iii) You can have an attorney write letter saying they have a copy of your idea on file in their office as of such and such a date and are keeping it in a sealed file for you.

2) Vary your format. You will skip over huge profits if you assume that your customers only want information in one format! Multiple formats accommodate different **learning styles.** People have a dominant way of processing what they hear and see. For example, I am a visual learner and I much prefer to read. The audio books that are so popular now hold little appeal for me.

If you have a written product, you could broaden its appeal by adding…

Electronic versions
Videos
Audio
Teleconferences
CDs and diskettes
Seminars
Games
Calendars and daily inspirations
One-on-one consulting
Small elite-membership groups
Radio and TV presentations
Retreats
Monthly newsletters
Hard goods like mugs and T-shirts

You can create different formats, too. Why not on-going study courses with weekly lessons or more in-depth, advanced material? Or what about licensing products? Stand out from the crowd and be seen and/or heard.

15.3. Acquire Exclusive Rights

Believe it or not, it isn't difficult to get **exclusive rights** to a product. You don't even need up-front money. Probably the easiest way to do this is to get an exclusive on a **method of distribution.**

What does that mean? Good question. Let's say that you invent the Fancy Gizmo Super Spud Peeler, patent it and find a company to sell it in grocery stores. A year later, along comes Eli Entrepreneur who wants to promote this great peeler through mail order. Eli agrees to a five-year agreement with you for the Internet only. He pays you no money up front but the agreement is void if he doesn't sell a minimum of 50,000 Super Spuds a year.

Who wouldn't agree? There's no risk involved. Either you sell an extra quarter of a million products with no effort on your part or the agreement is void. It costs you nothing and on the plus side, you get a new and valuable method of distribution.

Now let's turn the tables around. This time you are the entrepreneur looking for products to market. Where can you find these products?…

1) Inventors Clubs -- There are many brilliant people who take a little bit of this, **add a little of that…**

…and create wonderful products. But the catch is that they know nothing about how to sell and market them. Here is where you ride to the rescue.

This industry is filled with rip-off artists who charge struggling inventors large amounts of money to promote their products. And in the end, deliver nothing. You would be a refreshing change from all of those sleazy people.

There are hundreds of inventors' associations all over the United States and Canada. Many wonderful products are available for you to market. For more details, visit these helpful Web sites **http://marketlaunchers.com/** and **http://www.uiausa.com/** The **U.S. Patent Office** has a wealth of information as well **(http://www.uspto.gov/).**

There are extremely wealthy people like E. Joseph Cossman who have made millions of dollars by promoting someone else's ideas. Cossman's book, "How I Made $1,000,000 in Mail Order (And You Can Too)," is a bit dated. The last revision was in 1984. In spite of that, it makes for fascinating reading.
Of course, Internet auctions didn't exist when he was creating his fortune. But his marketing principles endure. Even though we use electrons and he used paper, he can still teach us a great deal about successful auction selling. Here are three of his key principles that are totally appropriate for our Net auction business…

i) Find products that are selling well but are reaching only a limited market. He would ask the owners of the products to let him sell the items in a different way. Isn't that perfect for the auction business?

In fact, the auction business has exploded because individuals and businesses are marketing products in this new format. For example, millions of cars are now sold at auctions -- a method which didn't even exist only two or three years ago.

ii) Never fall in love with your products. Great advice. I am often surprised by what sells and what doesn't. If you follow the auctions for a while, you will receive many surprises as well.

The best advice anyone can receive about this principle is test, test, test! Don't make a major investment in any merchandise, no matter what anyone else says, until you have sold a certain amount of it. I have known auction sellers who were positive that something would sell, and bought huge amounts of merchandise -- only to be stuck with it. Don't let this happen to you.

iii) Look at your products with "new eyes." To illustrate this, Cossman described a situation where he was stuck with 5,000 necklaces. Each one had seven stones in them. Around that time, a famous case involving hypnotism and reincarnation was one of the hottest news stories of the day. A hypnotist explained that a "point of fixation" was needed to hypnotize someone. Cossman realized that his 35,000 stones were perfect points of fixation. So he sold them individually, along with a book on hypnotism. They were a smash hit and he sold over 100,000 of them. By looking at his loser necklaces with new eyes, he made a lot of money.

2) Library -- Back issues of popular magazines can reveal a treasury of lucrative products for you to market. A five-year-old gizmo may be ready for another turn in the spotlight.

Our mentor from above, Joe Cossman, really does have the golden touch. He recycled a fad from years past. It was known as a "fly cake"-- an alluring concoction that flies can't resist. He sold more fly cakes on the second-go-round than were sold during its market debut.

3) Ads in all kinds of publications -- Ads in newspapers, newsletters and magazines sometimes have some great products. For example, a recent newsletter wanted Americans and Canadians to sell native clothing from Liberia and Sierra Leone.

4) Standard Rate and Data
http://www.srds.com/

The **SRDS** is a superb resource for the home business. It is very expensive to own so go to your library and find it. Believe me, it's worth the hunt. Trade journals can be an incredible source for ideas and products and the **SRDS** has an extensive list of these. It also has sections on consumer magazines, international magazines, business publications, mailing lists and newspapers.

5) Patent Attorneys -- This is a tough way to find products because patent attorneys are very reluctant to work with strangers. But if you can persuade them to cooperate, they often are a great resource.

6) Offline sources -- You can even advertise for products. Let people know that you are actively searching for products. Here is an ad that a private individual inserted into the Sunday business section of his local paper...

```
Millionaire consultant seeks inventors, manufacturers,
importers, authors, etc., with unique products suitable for
promotion to homeowners, do-it-yourselfers, gardeners and
hobbyists.  Send your information in confidence to (contact
info).
```

He received 280 replies!

15.4. Do Private Labeling

You most likely have some **privately labeled products** in your home. There are many companies in Canada and the United States who sell “stock” or “standard” formulas of products to many different companies. The only differences between these and dozens of other companies are the product names and labels.

Marketing expert, Dan Kennedy, describes a distribution scenario for a fabulous weed killer. The manufacturer sold thousands of cans of this product to a chemical company that distributed only to restaurants and hotels. The same manufacturer sold many more thousands of the same product to a national hardware chain under a different name. And finally, Dan’s company sold this same product with its own label.

Same product. Three companies. Three different labels.

You can have all kinds of products manufactured and sold under your name in surprisingly small quantities.

Every industry has these private label manufacturers and they advertise very extensively in trade journals for their industry, and they attend many of the trade shows. Some of these manufacturers even supply product liability insurance that will cover your tiny home business.

For example, one pet food owner has created a glucosamine supplement for dogs. (In case you’re wondering, as I was, it’s good for joints.) It has been so successful that she is planning to expand with seven new privately labeled

products. The grocery and health industries have been doing this for years with their generic products.

No matter which strategy you choose, you need an action plan to make your time most productive and to achieve the results you want. For example, here's an on-target plan of action…

Day 1 -- go to the library and look at the "Standard Rate and Data." Make a list of every magazine and trade journal that relates to your category.

Day 2 -- write a simple letter/e-mail contacting each source and asking for a copy of its publication.

Day 3 -- while waiting for magazines and journals, create a data chart that you can use to list each interesting product, its source, actions you can take, results and whatever other information that is relevant to your subject.

Day 4 -- create a folder for different kinds of ideas. For example, a folder for interesting products, one for experts you might interview for information product ideas, one for books or other information you might want to send away for to do research, one for names of companies that do private labeling, etc.

Day 5 (and on) -- as your publications arrive, go through and highlight each interesting product, person or merchandise possibility.

Day 6 (and on) -- write letters, call or e-mail about all the ideas, companies and people you have identified as worthwhile in the publications reviewed on Day 5.

Repeat Days 5 and 6 tasks until you find lucrative ideas that you can use to sell on the auction sites. By doing this, you will develop successful items that aren't being sold by 50 other people. **Uniqueness** is the goal.

Time to move on to a profitable type of auction business where you sell merchandise that you have never even seen and where you don't have to invest a penny of your own money.

I thought that might tweak some curiosity …

16. Sell Goods You Don't Own

Generally the sellers highlighted in Chapters 15 and 16 followed the business model of high volume/low price. With that particular approach, the seller must sell large quantity of items to make a substantial income.

This chapter is about the **low volume seller,** the one who specializes in very expensive items. That does not necessarily mean, however, that those thousands of dollars invested in merchandise are coming out of your pocket as the seller. The safest way to sell high-end items is to sell merchandise that belongs to other people.

Certainly, if you find something that you recognize as an awesome bargain and you are an experienced trader, then go for it and buy the expensive item with your own money. But that is a long way off for the smart auction seller.

Never, never, **never** do this until you are experienced, very **experienced!**

Some people think that Net auction sales are strictly for small ticket items and there isn't much money to be made unless you are a volume dealer. This chapter will get rid of that notion. Net auctions are vast in scope. There is (almost) something for everybody.

Here is a 4 bedroom yacht for sale to the highest bidder…

I am including a bit of its listing description…

```
...witnessed some of America's most historic events,
including FDR and Eisenhower planning D Day, Truman
pondering whether to drop the nuclear bomb, Nixon
negotiating the first arms control treaty with the Soviet
Union and later deciding to resign and Kennedy celebrating
his last birthday party (just after Marilyn Monroe sang to
him at Carnegie Hall).
```

This was a sealed bid auction so we know nothing about the sale price, except that the winner had to pay a $100,000 deposit within 24 hours.

Or, imagine bidding over a million dollars on a house based on a listing…

The sale of yachts and million dollar houses obviously produces generous commissions. For more income-boosting possibilities, read on...

16.1. Vehicles

It's true! If you love cars, motorcycles, trucks, SUVs and RVs, you can make lots of money selling these vehicles for others. Why would anyone want your services? Consider these situations...

• The seller lives in a very small town with a limited market. If you live in Eustace, Texas which has a population of 350, the market for that Ferrari may be rather limited.

• The seller isn't online and never will be. Therefore, they don't know about Internet auctions or the other car sites.

• The owner inherited the car when his parents died. The vehicle is in Oklahoma and the heir is in New York.

• There are personal reasons. One truck owner was so furious at the only Ford dealer in town that he said he would set his Pick-up on fire before he would let them have it! Or there are people who have no strategy other than to put their cars in the paper and cross their fingers.

The question is how do you find these vehicles? Obviously, you don't want to talk to the dealers. You are interested in individuals, not professionals. So take your detective skills and search...

1) Newspapers and Specialty Magazines -- Be a regular subscriber to all your local newspapers. The specialty papers are even better, like the "Auto Trader" or the "Advertiser" magazines in your area. Many of the ads in these publications are from dealers but many are private individuals and those are the kind that you want. Create a master list and follow up with these folks.

For example, you see a new Ferrari ad in the Advertiser. Don't bother calling a new ad because sellers are in a state of glowing optimism when they first begin an ad. They expect the phone to ring night and day. Three weeks or a

month later, however, their attitude will be different if the car hasn't sold. All you need to do is call the owner and ask politely if the car has been purchased. If it hasn't sold, it's negotiation time.

Rule of thumb -- always, always pursue a lead. Even if the owner doesn't want your help now, he may change his tune in another few weeks. **Persistence** is the key to success.

Many people don't trust the professionals, especially car dealers. They fear they are about to be scammed. If you come across as "good ole Joe," you may get more business than you can handle.

2) Your own locale -- The second best approach is to pay attention as you drive around. Private citizens park cars in mall parking lots, on busy streets and all kinds of public and private spots with "For Sale By Owner" signs on them. These are often fabulous deals.

SIDEBAR

I always have a small tape recorder in my car. In this way, when I see something that seems promising, I can make sure I have the number. The backs of napkins don't work as well. In addition, ideas and notions seem to strike at very inconvenient times -- like when I am driving down the expressway in rush hour.

3) Car auctions -- In our area, there is a weekly car auction that is available to the general public. Most car auctions are reserved for licensed dealers. Consider becoming one.

4) Organizations -- Most people are members of particular organizations. Take advantage of this by letting people know what you do. Use the newsletters, bulletin boards or even company events to let folks know that you have a sideline, or a full time, business disposing of unwanted vehicles. This isn't nearly as quick or direct as calling people but it is often easier because of your good reputation. That is if you have one, of course!

5) Ads -- You can put your own ads in papers and magazines or on your Web site to let prospective sellers know what you do. The effectiveness of this may depend on where you live and the economic conditions of your area.

One enterprising person in my city has printed signs advertising that he buys cars for cash, on the spot. He puts them on telephone poles and in vacant lots. (Before you do this, check the sign ordinances where you live. It is illegal in our area but people do it anyway. A big fine is not worth it.)
So what kind of vehicles should you look for? Don't bother with cheap ones. There isn't enough profit.

Set your sight line...

... straight at expensive cars. Look at this auction listing...

Ferrari : 360 Modena	1700	1999	$186,100.00	2

F1 360 Black w Black

Amazing, isn't it? 37 people bid this much money for a vehicle they have not even seen!

How do you deal with the owners? When you call the owner of a vehicle, you want to convince him that you are the **answer** to his problem -- i.e., you can dispose of his unwanted property.

But before you call, you had better have a strategy in mind. The question he will be asking himself is... "What's in it for me?" If you don't have a clear and persuasive answer, you won't be auctioning his property.

Your strategy might involve...

1) An Option -- An option is simply the **right but not the obligation** to buy at a certain price.

If you know a car is worth $50,000 and the owner is willing to sell for $38,000, bargain for an option for $36,000. You may not get it but you can try. Even at $38,000 it may be a good deal. Then simply auction the car for $39,000 or $39,500 or whatever profit you wish to make.

The great thing about options is that if the car doesn't sell, you are under no legal obligation whatsoever. In addition, set up your option for a relatively short duration. You will quickly know if you are going to get your price.

Here is a sample option agreement. The laws of every state and province are different so if you are going to use an option agreement, check with an attorney.

This is a sample only. It is not meant as legal advice in any way...

OPTION TO PURCHASE

This option to purchase made the _____ day of _____, 20__, between

_____, hereinafter referred to as Optionor, and

_____, herein after referred to as Optionee.

WITNESSETH that the Optionor, for and in consideration of the sum of _____ Dollars ($_____), to him in hand paid by the Optionee, receipt of which is hereby acknowledged, does here give and grant unto the Optionee, his heirs, assigns or representatives, the exclusive right and option to purchase all of that certain vehicle located in the City of _____, County of _____, State/Province of _____, being known as and more particularly described as follows:

The terms and conditions of this option are as follows:

1) Term. This option to purchase shall be for a period of _____ and shall exist and continue

until the _____ day of _____, 20___.

2) Exercise of option. At any time during the option period, Optionee may exercise this option by hand delivery or deposit of written notice by certified or registered mail, return receipt requested, to Optionor at the following address: _____

3) Agreement Upon Exercise of Option. Upon exercise, the terms of purchase and sale shall be:

Total Purchase price: $_____

Paid as follows: _____

4) Closing. Closing shall be within _____ days from exercise of the option to purchase unless otherwise extended by other terms of the agreement.

5) Extensions. At the election of the Optionor, this agreement shall be extended for _____ days.

6) Attorney Fees. The prevailing party shall be entitled to all costs incurred in connection with any legal action brought by either party to enforce the terms hereof or relating to the optioned property, including reasonable attorney fees.

7) Right to Sell. Optionor warrants to Optionee that Optionor has the legal right to sell optioned property under the terms and conditions of this agreement.

8) Other Terms and Conditions.

IN WITNESS WHEREOF, the parties signed their names on the dates in the year set forth below:

- - - - - - - - - - - - - - - - -	- - - - - - - - - - - - - - - - - - - -
Optionor	Optionee
- - - - - - - - - - - - - - - - -	- - - - - - - - - - - - - - - - - - - -
Optionor	Optionee
- - - - - - - - - - - - - - - - -	- - - - - - - - - - - - - - - - - - - -
Address	Address

Date of Acceptance _____

NOTARY

State/Province of _____, County/City of _____

I _____ a Notary Public of the location aforesaid, certify that

_____ and

_____

personally appeared before me this day and acknowledge the execution of the foregoing instrument. Witness my hand and official stamp or seal, this ____ day of _____, 20___.

My commission expires: _____

_____, Notary Public.

The Optionor is the seller. The Optionee is you, the auction master.

Most, if not all, localities require that actual money be exchanged in the execution of an auction. I commonly give a seller $1, just to make it a binding agreement.

2) A Commission -- You offer to sell a vehicle for a pre-determined commission. A commission of 5% to 10% is common. I would not do any work to sell a vehicle unless I had our agreement in writing.

3) Higher Price -- You can choose to raise the price of the vehicle. If the present owner will accept $15,000, begin the auction at $15,500.

There are auction sellers who are very secretive with the owner. You may not want to disclose your actual profit but I believe that it is best to be very open about what you are doing. After all, the owner cannot realistically expect you to work for free. Whenever you deal with an owner, point out to him that you are risking your time and expertise. If he doesn't get paid, you don't either. In short, he has everything to gain -- a sold car or truck.

What's the insertion fee payment to list your ad? It varies. There is usually a sale fee as well but that's not a problem. The sale money will more than compensate for this charge. The insertion fee, however, could be a loss out of your pocket if the car doesn't sell. Are you going to assume the risk or is the seller going to give you this fee?

That is a judgment call for each individual. If I were selling cars, I would let it be a case-by-case issue. If the deal was really great, and I felt confident, I would assume the risk rather than lose the deal. If it is marginal, I probably wouldn't.

How do you learn the transportation business? Personally, all I know about cars is that I like to drive a nice one. However, I know some people in this business and they have recommended the following sources...

http://www.autobytel.com/

http://www.autos.yahoo.com/

http://www.autosite.com/

http://www.autotrader.com/

http://www.autovantage.com/

http://www.autoweb.com/

http://www.cars.com/

http://www.carsdirect.com/

http://www.caranddriver.com/

http://www.carprice.com/

http://www.carprices.com/

http://www.consumerguide.com/

http://www.edmunds.com/

http://www.intellichoice.com/

http://www.kbb.com/

http://www.priceline.com/

Besides cars, there are mini vans, SUVs, RVs, motorcycles, ATVs, buses, motor coaches, commercial trucks, snowmobiles, campers, scooters, mini bikes, farm vehicles, construction vehicles, farm equipment, boats and planes to sell in exactly the same manner. It truly is a gigantic playing field.

In addition, there are all kinds of parts, automobilia and toys.

Two examples...

Newly restored 1929 John Deere D Tractor	$2850.00	3

And...

Hotwheels 1995 Treasure Hunt Set (VERY C@@L)	$660.00	8

I think we can safely assume that there is money to be made in toys. But look at that "cool." It's **too** cool!

16.2. Real Estate

Do you find it hard to believe that someone would sell her house on an auction?

I was like that at first until a friend commented that a listing on eBay was a whole lot cheaper than an ad in the Robb Report...

Exquisite Horse Farm Estate MidWest(NO RESRV)	$305100.00	20

Individuals also sell their business real estate on the auction sites. Take a gander at this example -- a storage facility that sold for $565,000...

Can you make money if you sell this kind of property for someone? Obviously, you can. Thousands of dollars.

Do you have to be a real estate agent? Absolutely not. You can handle this transaction in exactly the way cars are handled.

16.3. Timeshares

Timeshares are a great "commodity" to auction. Recently, I spoke with a student who wanted to go to Italy but couldn't find an Italian willing to make a direct trade. So he rented his timeshare and went to Italy on the proceeds.

Timeshares sell well on Net auctions...

BELIZE TIMESHARE - RCI - NO RESERVE

Item #332387926

Everything Else:Real Estate

tly	**$760.00**	First bid	**$1.00**
y	**1**	# of bids	**33** (bid history) (with e
ft	**12 mins, 51 secs**	Location	**BELIZE**

This particular listing includes all the information about an entire project and sends buyers to the seller's Web site. As you can see, he is promoting his business with eBay.

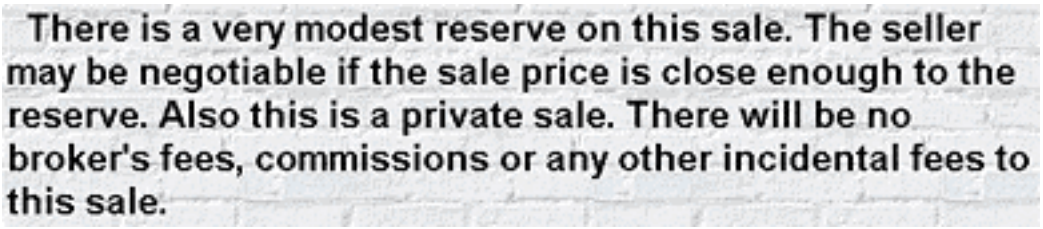
Now for a slight twist...

St. Thomas Timeshare 55 weeks on Magens Bay

Item #328833026

Everything Else:Real Estate

ently	**$2,500.00** (reserve not yet met)	First bid	**$2,500.00**
tity	**1**	# of bids	**1** (bid history) (with emails)
left	**2 days, 7 hours +**	Location	**Magens Bay, St. Thomas, US Virgin Islands**


There is a very modest reserve on this sale. The seller may be negotiable if the sale price is close enough to the reserve. Also this is a private sale. There will be no broker's fees, commissions or any other incidental fees to this sale.

You will notice that the person listing this timeshare is referring to the seller as another person. Our auction seller is not the owner and is handling the transaction for someone else.

16.4. Industrial Equipment

There are all kinds of industrial equipment for sale on auction sites. For example, here is an item that could result in a commission of 5 – 10% if you were the seller...

If you are interested in these kinds of transactions, where can you find equipment to auction without having to buy it yourself? Well, remember these possibilities...

1) The Thomas Register
http://www.thomasregister.com/

The wonderful Thomas Register offers all kinds of opportunity to anyone interested in anything industrial. The Register is gruesomely expensive but is worth its weight in gold. Most likely a library near you that has a copy. If you have any interest whatsoever in selling expensive products that don't belong to you, you need to become familiar with this wonderful source.

The print version has 47,144 pages of products and services in 23 volumes, three volumes of company profiles and seven volumes of catalogs from its listed members. Or you can get a free membership and use their online services.

Here's how to use the Thomas Register. Suppose you are interested in backhoes. This seller has one for sale on eBay for $11,900...

When you check the Thomas Register, you will find that there are large numbers of companies that deal with backhoes. You can contact all of those companies and offer to help them to either dispose of inventory they no longer want, or locate equipment they are seeking. You accept a commission for this service and the company doesn't have to pay you if you don't sell their equipment.

If you sold the backhoe pictured above, you would make either $595 or $1190 (based on a 5 - 10% commission). Do a couple of such deals a week and create a nice income for yourself. You have no money in merchandise and your only risk is the $3.10 for an ad on eBay. It's even less on other sites.

2) Become A Manufacturer's Representative -- There are large numbers of "manufacturer's reps." These are people who attempt to sell products for one or more companies that they represent. Some reps already know about Internet auctions but many do not.

Make the acquaintance of some of these folks and offer to help them sell certain items that stump them. In fact, I know two sellers who have become reps themselves and use the auctions for a large part of their inventory.

The following items have all been sold at auctions by either manufacturer's reps or by auction sellers who work with them... Appliances, Furniture, Building supplies and material, Windows, Heavy garden and lawn statues, Bicycles, Camping equipment, Exercise and gym equipment, Sporting goods, Spas, hot tubs, Stereo, CD, cassette decks, VCRs, TVs and Vending machines

If you decide you might like to try your hand at this, here are some helpful resources...

Agricultural and Industrial Manufacturers' Representatives Association, 5818 Reeds Road, Mission, KS, 66202, 800-759-2467

Business Products Industry Association, 301 North Fairfax Street, Alexandria, VA, 22314, 80-542-6672

Manufacturer's Agents National Association, 23016 Mill Creek Road, Laguna Hills, CA, 92654, 949-859-4040

Manufacturer's Representatives Education Research Foundation, PO Box 247, Geneva, IL, 60134

National Association of General Merchandise Representatives, 401 North Michigan Avenue, Chicago, IL, 60611, 312-644-6610

United Association of Manufacturer's Reps, 34071 La Plaza, Suite 220, Dana Point, CA, 92629, 949-240-7001

3) Manufacturers Representatives of America
http://www.mra-reps.com/

The **MRA** is an excellent online resource. It is a non-profit organization for both manufacturers and representatives.

4) Trade Magazines and Newspapers --This kind of media is a rich source of expensive equipment. For example, I have on my desk a trade newspaper for the dry cleaning industry with a wide assortment of equipment for sale.

Most of them are perfect for auctioneers because they are small companies that are either going out of business and need to unload their machinery or they are expanding and have bought new equipment.

These listings and prices illustrate the point...

i) "Bowe/Permac K-25 55 pound hydrocarbon dry-cleaning machines; never used; still in original wrap. Must sell. Without still is $44,000; with still is $72,000. OBO. Will pay shipping." (Does this sound like a motivated seller?)

ii) Used plant equipment --13 lines listing various equipment. The ad states OBO. Will negotiate.

iii) Unipress shirt cleaner for $17,000. Also dry-cleaning and laundry presses, washers, dryers, air compressors, heat reclaimer systems, water softener and more. "Owner retiring for health reasons."

16.5. More High-End Possibilities

There are lots of other possibilities for sales. Once you actively start looking, you'll be surprised at what opportunities present themselves. For example, restaurant equipment...

LINCOLN HP1000 CONVEYOR PIZZA OVEN **$4,000.00**

Or medical equipment ...

Ziehm (IMS) Radiographic X-Ray C-Arm $15,000.00

Then there are all the other expensive items that folks may need to sell such as jewelry, antiques, art, furs or expensive furniture. This $18,000 bracelet would certainly get the blood pumping...

Include the following in your search for miscellaneous items...

1) Local specialty magazines -- We already discussed magazines such as the "Trader" and "Advertiser," and pointed out that they are great places to buy merchandise at bargain prices. However, they are also superb if you want to find expensive merchandise to sell for other people.

The Atlanta "Advertiser" recently had multiple items in the following categories... Medical equipment, Farm equipment, Office and business equipment, Office furniture, Businesses for sale and Jewelry of all kinds.

Often the sellers in these magazines are in a tight spot and need to get rid of the merchandise. I read one once that said, "Assume notes on heavy duty trailer (+$1000)." Another deal in this same paper offered a $23,000 mobile home for $12,995. Someone snatched up that deal the first day the magazine appeared.

Be creative. Make money from these magazines by turning the situation around. **Find objects, rather than sell them.**

There is a gentleman who collects Lionel trains and has an ad in every issue of the magazine. Whenever I see these trains on auction sites, I send him a fax, asking if he is interested, and what he is willing to pay for them. I then keep my bid below what he is willing to pay so that I can make a profit. For example, if someone is willing to pay $200 for an object and you want to make $40 in profit, don't bid above $160.

What if I win the bid, and my buyer doesn't follow through with the money? In that case, I am faced with two choices...

i) I renege on my bid (which I would never do.)

ii) I am “stuck” with the item.

Understand something about the merchandise before you bid. I have a Lionel train book in my house, supplied by my buyer. I can check prices and know approximately what something is worth. I’m not going to be stuck with an overpriced item.

And I would never bid on something really expensive -- unless the money was escrowed. I might make an exception if I knew my dealer really well and had done business with him many times.

2) Rural Newspapers -- Newspapers in very small communities are a great resource. Subscribe to them.
There are so many items that don’t sell locally because the demand just isn’t large enough. It‘s a great opportunity to offer your selling services and eliminate the frustration problem.

3) Estates -- Several years ago I purchased a course on how to buy real estate through probate. A probate is the legal procedure that heirs must often go through to claim property of deceased relatives. Not all wills are probated but many are.

I never did buy any houses this way but I am aware of the gold mine potential. There are students of this business approach who made more money with the contents of the house than on the property itself. One gentleman founded three pawn shops with this method.

How do you find probate properties? There are two main ways... The first is through a legal newspaper. Every county or province has one, and it is a simple matter to find it. If someone probates a will (i.e., it is filed with the court), a probate notice must be in the legal papers for a certain period of time. In my county, it must be listed for three weeks in a row.

The second and better way is to familiarize yourself with your county or provincial courthouse. A probate is public record so anyone can access the records. By searching the records, you will know about probates before the general public who only read about it through the newspapers. You can then contact the executor who is in charge of the estate and get more details.

This is a fantastic method because almost no one knows about it. The few who do are looking for property rather than auctionable goods. And it’s surprisingly time efficient once you get used to the system.

When I first started, I spent lots of hours in the courthouse, understanding the system and reading all the probates. But now I can go once a week for thirty to sixty minutes and harvest the past week’s crop.

The final point about estates involves **household content.** Follow-up on situations where there are no surviving spouses or the heirs live out of town. In these cases, there are usually furnishings that no one wants. You can volunteer your kind "removal" services. One person I know even charges the heirs for "carting away" the property. I have never had the nerve to take advantage of people that way

Another way, although less effective, is to be in contact with local real estate investors who aren't interested in the contents. There can be some incredibly valuable items in these estate houses. Conversely, there can also be a lot of real junk. There is no way of knowing until you are in the house.

16.6. Charity Auctions

Go to **http://pages.ebay.com/charity/** and you will see the huge number of charity auctions that are on the sites. If you would like to make money this way, you can arrange these auctions -- and handle the details -- for various groups who have never considered this idea and don't have the expertise to handle it. You make your profit by charging a certain **percentage** of the total revenue.

If this type of auction business appeals to you, specialize in handling auctions for all kinds of groups. You can stage charity auctions for schools, athletic organizations and church groups, as well as regular charitable causes.

Here are the steps on eBay for creating a charity auction...

1) Get approval from eBay for your organization or cause. They also will require some information at the time of the auction such as the name of a contact person, a brief synopsis of your organization and examples of items you would like to list.

2) Create an "About Me" page, explaining your organization and what it does. The only difference between your auction page and your personal page is that you should change Feedback to "Show no feedback" and change "Items for Sale" to "Show all items." eBay further suggests that you may want to include your logo for your organization at the top of your About Me page.

3) Have e-Bay link your listings to the "Charity page" which gets a lot of attention.

If you wanted to set up and manage charity auctions, what can you sell for an organization? First, you can find new merchandise that can be bought for a bargain price. You can auction an event or service. You can get gift donations from community members or merchants.

Another possibility is to convince a company to sponsor your cause. Underline the fact that it would provide great publicity for the company. In fact, a lot of the Charity pages are really ads for a particular company.

If you are really ambitious, you can often find celebrities who will participate by donating items, their name or their time. For the past Paralympic games in Australia, many celebrities contributed art and their contributions were featured on the front page of eBay Australia.

Visit **http://pages.ebay.com/community/charity/success.html** for success stories involving charities and auction sites.

Charity auctions are a great excuse for a media fest. And, by extension, they are great **publicity opportunities** for your auction business. Local media love interesting, colorful local stories and an Internet charity auction is definitely different.

Send news releases. Call radio and TV stations. Inquire as to whether or not anyone else in the group has some media contacts.

For example, a local business man sponsored an auction of products from his company. Some of the products were auctioned on the Internet. Some were done through the local cable TV station when they were sponsoring a fundraising drive. Most of the volunteers **working the phones...**

... were his employees, wearing company T-shirts. He was interviewed repeatedly, and gave away merchandise to callers pledging certain amounts. His business increased dramatically as did the traffic to his Web page and auction sites.

16.7. Financial Instruments

Amazing though it sounds, there is a lot of business in **financial instruments** like mortgages, foreclosures, liens and judgements. Check out this example...

bid4assets
http://www.bid4assets.com

16.8. Excess Inventory

Many retail stores have a problem if they have excess inventory in stock at a certain time of year. When either their fiscal or calendar year ends, they must pay taxes on these unsold items. If you can sell this merchandise for them, you are providing an appreciated service.

How do you find them? One way is to use the **Yellow Pages** and send letters to stores that sell merchandise in your niche. You can go directly to the stores and talk with the manager or owner. Or you can put ads in trade magazines and newspapers.

Your main argument is that the stores have nothing to lose -- if you don't sell, it costs them nothing. I have sold both jewelry and books this way. Persist. And reap the rewards.

16.9. Represent a Professional

If you know a lot about some particular field, you might be able to carve out a unique niche by getting to know the professionals in your field who have expensive merchandise to sell. Seth is an example. He makes a great living buying, selling and promoting artists and their products that he locates through "starving artists sales."

If you live in or near a city of any size, you have most likely have seen the advertisements for these. They are usually listed in the paper and/or are advertised on TV, especially the less expensive cable channels. The sales are held in a motel on weekends. **There are hundreds of art pieces...**

... and dozens of aspiring artists with paintbrush in hand.

Most artists, unless they are represented by a gallery or agent, don't have a clue about how to sell their art. Act as a **manager and promote or sell** a particular artist's work online or through the auction sites. And lastly, approach local art galleries to establish a business relationship.

16.10. Auction Site Resources

Auction sites offer different educational resources. For example, Yahoo offers lots of help. They have a section called “Resources for Your Business.” There you will find...

1) Yahoo! News: Business Full Coverage -- up-to-date business news by topics that may be helpful, depending on what you choose to auction. Some of their topics are global economy, electronic commerce and international trade.

2) Yahoo! Industry News -- categories such as Consumer Goods, Finance, Food, Heavy Industry, High Tech, Light Industry, Medical, Recreation/Entertainment, Services, and Transportation.

For example, in the Consumer News category is a section called “Retail.” One of the stories was titled “Mattel Creates a New Era of Collecting with Celebration Barbie Series; Celebration Barbie Premiers the New 2000 Holiday Collector Series.” If you are a Barbie collector and seller, you will have a head start over your competition.

Further, all the sources of their stories have live links conveniently located right by the descriptions so if you are interested you can simply click your mouse and read the entire article.

3) Yahoo! Broadcast: Business provides live events from the worlds of business and finance. This section has a ton of resources including Yahoo radio.

4) Yahoo! Clubs: Business and Finance is a section which Yahoo calls “public and private online communities for business people.”

There are all kinds of newsgroups and chat rooms in this section. If you have a deep interest in some kind of collectible, for example, you may be able to find some customers and some fellow fanatics.

5) Yahoo! Directory: Business and Finance has a huge list of commercial web sites and organizations. This may or may not be helpful, depending on what you wish to auction.

No matter what type of business you own or do, **targeted traffic** is critical to your long term success. Only interested buyers bid. Untargeted visitors either ignore what you have to offer or they just browse. Neither activity produces **income** for you. You need to promote your business effectively.

Site Build It! (http://auctions.sitesell.com/) will help you build a Web site that will pull in targeted traffic and, at the same time, "warm up" (i.e., PREsell) your visitors. The **SBI!** process will show you how to create an open-to-buy mindset in your visitors.

Once you achieve that all-important trust level, you are well on your way to a sale (whether that's your auction item, your e-book, a product that you represent, or however you are monetizing traffic to your Web site).

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17. Promote Your Business

One thing is for sure. If you want to turbo-boost your business profits, seriously consider the following plan of action… **increase targeted customer traffic to magnify income.**

We all know that to make money on the Internet, you have to sell something. There is no other way. You may be selling a service or a product (this could be an actual physical object, or a digital one that can be downloaded from the Net) or a combination of both.

And no matter what your business sells, you need customers to be successful. As I said earlier, you have to attract **targeted** buyers to your product/service -- buyers who are interested in what you are selling and **value** its benefits.

An Internet auction is an exceptional way to promote your business. Auction your product/service at high profile sites like eBay and Yahoo to attract the **attention** of hundreds or thousands of people. Then once you have their "eyes" and interest at your auction listing(s), you can persuade these target customers to click through to your Web site for more information and to buy other items.

There are literally thousands of businesses that are promoted each day on auction sites. The ones that are included in this chapter illustrate key profit-stimulating strategies. As you read, remember that the products and services being sold aren't nearly as important as the way in which sellers are using the auction sites.

For example, it is obvious from the picture below that this retail establishment is selling right out of the store. What does this illustrate?...

Simple. An ad on eBay is definitely **cheaper** than a tiny one with no picture in the local newspaper. It also beats the high-cost cost of a Yellow Pages ad and its space restrictions!

Of course, there may be some limitations on this idea. For example, if you are a barber trying to auction haircuts on the Net, your target market is somewhat restricted **unless your motto is…**

… "Have scissors will travel."

But what if you have **additional income streams** beyond hair cutting?

Perhaps you private label some hair-care products for men. Or you sell magazines for men, or have a mail order business of fashion accessories, or refer customers to hair transplant establishments, or sell a line of hair coloring products, or ... well, you get the idea. Auctions would be an ideal way to promote all of these. List one product and have buyers/visitors click through to your main sales site.

By opening up other options, eBay no longer has the same grip over your business as the sole money-making source. **This independence allows you to use eBay, rather than the reverse** -- where eBay uses you. Take advantage of their well-oiled gigantic network to drive traffic to your auction listings and to supplement your own traffic efforts to your Web site.

For more information on how to make eBay work for you, go to…
http://build.sitesell.com/tips/net-auction-sellers.html

Some people make the mistake of seeing customer traffic flow moving only in direction way -- from Web site to auction site. Nothing could be further from the truth. **Traffic goes in both directions.** Find some products that have high demand on the auction sites and then create a Web site "theme" based on them.

SIDEBAR

The single best way to generate traffic is to build your own Theme-Based Content Site... where its high value Keyword-Focused Pages rank well with the Search Engines **AND** provide the type of information your visitors are seeking.

Site Build It! makes it possible for **any** auction seller to build targeted traffic in a time-and-cost effective manner.

SBI! simplifies the whole building/marketing process and **guarantees results.** To see how, visit **http://auctions.sitesell.com/**

Whatever your business is (online or offline), do not assume that you can't use Net auctions. Auctions are an effective way to **intercept customers in their**

daily routines and pull their attention to **you.** Marry your Web site with your auction listings and you have a sales-generating union made in cyber heaven.

If you define auctions as simply a pleasant hobby, you may never be personally interested in this chapter. However, you probably know someone who is active on the Web right now. Maybe your daughter-in-law or next-door neighbor is seriously building an online business. This is essential information for them. Auctions are potent marketing tools.

Direct your "Netrepreneurs" to **http://auctions.sitesell.com/**

OK. Time to examine some more bound-for-success auction strategies to promote your business...

17.1. Your Own Product

Auctions are a great way to easily **get the word out** about your product. Let's look at how one seller does it effectively. He uses a Dutch auction to sell a neck cream that is supposed to reduce wrinkles. The cost of the cream is $3. What's his plan?...

1) Promote the Product's Value -- The seller carefully promotes the value of his product. He claims that the "normal" cost is $240 per session. What a bargain and it's only for eBay customers...

Our Giorgio Milan Cosmetic Surgeons have developed a new protocol using a combination of the two top antiaging creams on the market to minimize neck wrinkles. We have found that the mixture of two of the most popular antiaging cream works even better on the neck for fine and early wrinkles. We still prefer to operate on deep seated wrinkles and sagging jaw lines, but for the middle age womenor man who is just beginning to notice the effects of aging- our protocol is for you.We are currently this offering this protocol only to our EBAY customers at substantial discount.The normal cost of the consultation is 240 dollars per session and not including the products.

A premium product for a premium group at a premium discount!

2) Promote your Web Site -- This smart seller has an accompanying Web site which he promotes in his listing. As you will see, within two paragraphs he gives the address three times. He reduces the chance to nil that surfing eyes will breeze over that important reference...

Contact US for questions about this remarkable combination

Just compare and see for yourself! The goals of Giorgiomilanskincare.com are to offer only the best skin care products and services available to consumers, at reasonable prices, in the privacy and convenience of their own home, with extra meticulous attention to customer service and information that only a physician can provide. Most of the skin care lines offered by Giorgio Milan Skin Care are available exclusively through either plastic surgeons or dermatologists.

Only at Giorgio Milan Skin Care.com where you will no longer pay those very high markup prices at your plastic surgeon or dermatalogist' office. Giorgio Milan Skin Care.com will-- beginning Jan 1 2000 offer all professional skin care products at just above wholesale. Come visit our new web station for even further savings.

3) Promote other auctions -- Never miss a chance to promote your other auctions...

Before you buy any skin care product please get your skin evalution for free

These wonderful skin care products that were available to patients only through dermatologists and plastic surgeons can now be obtained at low prices. Just compare and see for yourself! The goals of Giorgiomilanskincare.com are to offer only the best skin care products available to consumers, at reasonable prices, in the privacy and convenience of their own home, with extra meticulous attention to customer service information that only a physician can provide. Most of the skin care lines offered by Giorgio Milan Skin Care are available exclusively through either plastic surgeons or dermatologists.

Please visit our other auctions on EBAY!!

4) Promote through pictures -- “A picture is worth a thousand words.” The seller uses a professional picture to **reinforce** the quality of his product and by extension, his whole business...

Of course, the emaciated Vogue model look may not appeal to everyone but we can be sure that she doesn't have a wrinkled neck. Or so the picture suggests.

Use these four easy-to-do promotional techniques as a springboard to get you started. Keep track of new ideas that you discover on your Net travels. **All visitors to your auction listing(s) are potential customers.**

Funnel that auction traffic to your main business site and then monetize that traffic through different income sources -- affiliate programs (see below in 17.3.), e-books sales, services, etc. For more information about "monetization models," visit **http://auctions.sitesell.com/**

For a business owner, income from the auctions is the biggest and most concrete benefit. But you also win in the area of **customer acquisition.** For without customers, there are no sales.

17.2. Market Penetration

When asked how to begin a business, marketing guru Dan Kennedy once advised... "Give it away!"

If you auction your goods or services for low prices, you can begin to create a huge clientele base immediately. You are able to penetrate the market quickly with this business model.

SIDEBAR

Ken used this strategy for **Make Your Site Sell!** (his first product). He set its price at least one tenth of what its major competitors were charging even though it overdelivered in every way **(http://myss.sitesell.com/).**

Why would you choose this model? For the same reason that Ken did... Because you recognize that each customer has a lifetime value. That value can be hundreds of times greater than some small profit you might make on the first sale of your product. It's so much cheaper to keep a customer than it is to recruit a new one.

Take a closer look at the listing below. A satellite dish ... for a **penny?**...

NEW SATELLITE DISH FOR A PENNY!

Item #312032664

Photo & Electronics:Consumer Electronics:General

$0.01	First bid	**$0.01**
1000	# of bids	**87** (bid history) (with emails)
4 days, 5 hours +	Location	**Boston, MA**
	Country	**United States**
Apr-18-00 15:13:50 PDT	(mail this auction to a friend)	
Apr-28-00 15:13:50 PDT	(request a gift alert)	
	Featured Auction	

How in the world can this be profitable? The first thing we need to understand is that he is the **representative** (salesman or affiliate) for a satellite TV company. He is not paying for these dishes himself. Instead, he makes money by promoting the company's free dish offer. That is his "business."

You can go to any Search Engine, type in "free satellite TV" and find this offer everywhere. For example, I did just that at AltaVista and the first ad I clicked brought up this offer ...

FREE Satellite Dish

Tired of Cable? Not enough channels?

Well guess what? It's FREE!! Yes, you heard it right. Would you beleive we are giving these away. So you don't beleive us. E-mail us @ TAF504@aol.com and just ask. Why are we doing

Our seller is getting a **commission** or **referral fee** on each sale. The company makes its money by collecting the monthly fee for the satellite channels. It gives away as many of the satellites as it can, knowing the real

profit comes from a fee structure. This smart person has two key concepts firmly rooted in his mind...

1) Customer acquisition -- He is using an incredibly high-traffic Web site (eBay) to promote his business. Before the auction was completed, he received bids from 362 people. We have no way of knowing what he will receive from the satellite company. But let's say that his fees were $400. He made $10 per customer which equals $3,620. What a great **ROI (Return on Investment).**

2) Lifetime customer value -- Most likely, the greatest profit from this deal will come later. He acquired a large number of new customers who may buy all kinds of other products in the future. He probably will receive **residual income** from these people, as well. I contacted a couple of these companies and each time a customer re-signs with the satellite company, the salesperson will receive a percentage.

Another great way to acquire and keep customers is by publishing your own e-zine. Hundreds, then thousands, of your own visitors will sign up for your zine. This is important because...

1) Most visitors subscribe before buying anything. You need to build a trusting relationship first.

2) An e-zine makes it easy to generate recurring revenue. You can contact your subscribers about relevant updates, upcoming auction items, new products you are representing, etc. Your business stays on the radar screen.

3) A growing customer/prospect address list is the very foundation for building a business with equity (i.e., a business you can sell). Sure, you'll get some sign-ups from the eBay traffic and you'll add a few more from your buying eBay customers. But now you can really grow your own traffic -- which is essential for owning your business and reducing your dependency on eBay.

For more background information, see **http://auctions.sitesell.com/**

17.3. Products You Represent

In this situation, the business product you are selling is not your own creation. You are **representing** a company that pays you a commission for every sale that you generate. You may belong to an **affiliate** or **associate** program or be part of a **Network Marketing** company. (Representing a product may be your sole business or it could be an additional income stream.)

The more exposure and credibility you can create for the product/service that you represent, the higher the chance for a sale. And higher sales translate into more commission for you. Auctions are an easy and effective way to increase exposure.

Highlight one item through an auction. Within your listing, promote your merchant's Web site address. Targeted visitors will click through to the main selling site for more information or to buy other products. Each "click through" is potential income for you.

Want to know what kind of products are being promoted this way? A quick survey of different auction sites shows the following...

- Nutritional products
- Health-related products and various pieces of exercise equipment
- Financial services
- Electronic opportunities (free or reduced long distance plans, cheap or free cell phones and pagers and satellite TV)

How can you find appropriate and profitable affiliate programs for your niche Web site? Two great sources are **Refer-It (http://www.refer-it.com/)** and... **AssociatePrograms.com (http://www.AssociatePrograms.com/).**

Allan Gardyne, an Australian affiliate master, provides the inspiring leadership for AssociatePrograms.com. There are very few newsletters that I open and read instantly but Allan's is one of those.

Another fantastic source is the **Affiliate Masters Course** (a free download at **http://aff-masters.sitesell.com/).** If you really want to jump on this quickly, use **Site Build It! (http://auctions.sitesell.com/)** to help you identify the most profitable affiliate programs for your particular niche.

17.4. World's Cheapest Ad

Jim, a friend in Atlanta, created an information product to promote his software business. He offered this infoproduct on eBay for one cent and created a Dutch auction with 10 of these products. His insertion fees (at the time) were $2.50 and he ran these auctions for 10 days at a time.

Jim and I compared costs. One week in the "Atlanta Business Chronicle" was $56. Ten days in the "Atlanta Journal Constitution" would have cost $134. If

Jim so desired, he could have run this same ad every day of the year for $91.25 on one of the top Web sites in the world. Quite a bargain!

Does Jim care if he actually sells his report? (Especially for one cent which would be a giant pain to collect.) No way! What he is doing is **building traffic** to his Web site. He attracts dozens of new visitors (i.e., potential buyers) each week.

Let's look at another business that uses this strategy...

Free Book & Cassettes-"Incorporating In Nevada" By Cort Christie, Ceo Of Nch	$0.01

This gentleman is advertising his free book on Yahoo auctions. There is no charge for listing on Yahoo so this publicity costs him nothing.

Why does he say the book is free, and yet lists it at one cent? The answer (even though I'm sure you knew it anyway) is that these are auction sites, **not** "ad" sites. Therefore, all merchandise must have a price, no matter how minimal.

His goal is crystal clear... to promote his Web site for free.

17.5. Your Professional Services

Products are definitely the overwhelming majority of what is sold on the auction sites. But there are a few services that are auctioned as well. So if your business involves some sort of service, an auction is a very feasible option to consider. Use the auctions to promote **features** of your services...

1) Save time -- Time is the most precious commodity in our society. Many busy people will pay exorbitant amounts of money for services. Cleaning services can easily be auctioned. Notice the Web site link?...

Reliable Cleaning person

Clean private apartments in New York City (Manhattan), prof'l,

call call John 917-477-2350, ref's available

If you'd like more info on price, availability please visit:

http://www.geocities.com/hawkcleaning

2) Supply specialized service -- Sometimes a particular service is sought-after because it is so specialized that the customer doesn't have the skills required to do it. In the listing below, you will find a very "specialized" example...

Lasik Vision Correction Package
Repairs Your Eyes and makes money for FWHS PTSA

amazon.com Current Bid: $1,600.00
Minimum Bid: $1,625.00
(convert this currency)

Description: Laser Correct Your Eyes & Help PTSA Dr. John Jarstad, MD, is a Board Certified Ophthalmologist and President of the...

3) Provide a service with modern technology -- Here is an interesting service. For $29.99, this service-provider will provide you with a…

"new beauty system that will help you select a modern hair-style that revitalizes your appearance and transforms you into a more attractive woman!"

The buyer sends her picture and receives 75 shots of herself with all kinds of different hair styles. To make the offer more attractive he adds two bonuses -- an additional "free" 25 pictures for the same price and free shipping.

4) Teaching services -- One seller offers the opportunity to learn several different professions and become certified in them. He also offers course in such fields as massage therapy, pressure point therapy, medical billing, fitness and weight training, Web design and numerous computer functions. All of his listings link to the Southeastern Institute of Computer Technology and Career Training Web site.

5) Auction an entire team -- Here is an unusual service example...

DOTCOM Executive Management Team--Salt Lake
Item #358548200
Everything Else:General

Currently	**$500,000.00** (reserve not yet met)	First bid	**$500,000.00**
Quantity	**1**	# of bids	**0** (bid history) (with emails)
Time left	**6 days, 12 hours** +	Location	**Salt Lake City, UT**

I have never seen the services of an entire management team being auctioned before but why not? Talk about a turn-key operation!

6) Provide keepsakes -- Keepsakes are always popular and this auctioneer takes advantage of that interest...

"You are bidding on a 16 x 20 Photographic Reproduction printed onArtist-Quality Canvas. The photo will be scanned on a high definition scanner,lightly retouched if necessary, and printed on Artist-Grade High Quality Canvas and a protective coating applied. This makes a BEAUTIFUL GIFT or ACCESSORY FOR THE HOME."

7) Sell services to other auction sellers -- There are famous marketing stories about the 1848 gold rush in California. The majority of the people who made the money weren't those out digging with a pick and shovel but those who sold them the tools to do the job. You can sell these types of "shovels" to fellow auctioneers or sellers...

i) Provide necessary auction services. For example, other sellers would bid for your time to write their ads, research suggestions for domain names, create easy-to-use design templates for sites, create tools to track customers' buying and Web-surfing habits, or create banner ads, etc.

ii) Provide services for people who want to sell goods but don't want to personally participate in the auction process. You can provide marketing services at no risk to yourself and people will gladly give up a percentage of the profit.

I have a friend who sends merchandise to me. I sell it and we split the profits. I asked him why he didn't sell it himself, and keep all of the money. He said he thought about it this way... 50% of the profit and no work or 100% and a lot of work, including having to learn the auction process. The former suits his needs the best. He is busy with other businesses and doesn't want to take the time to learn.

iii) Provide very specialized services for people. For example, you can create an **alliance** with companies that ship large, bulky items. You then can manage the shipping needs of an auctioneer who doesn't enjoy that part of the business. Or you can provide materials needed for shipping, like wrap or boxes.

8) Sell convenience -- Susan and Bill are making thousands of dollars a year auctioning freeware and shareware that they have put on a CD. Why is this considered a service, rather than a product? Simple. They aren't selling the programs. They are selling the work they did in collecting it. After all, if it's on the Internet, a customer could find all of it for herself without buying their CD.

9) Sell information to other companies -- Our time in history is frequently called the “Information Age.” In fact, information is the most valuable commodity we have. There are lots of companies who will pay, and pay well for specialized information. Those companies and individuals who are skilled researchers and know how to gather and report information will always be in demand.

What kinds of information do your customers want and need? Here is just a small sampling...

- Surveys
- Demographics
- Statistics of all sorts
- Polls
- Marketing consultation
- Media services
- Patent protection
- Feasibility studies
- Resumes

17.6. Observe a Money-Making Master

Gin Ho is an entrepreneur well worth studying. Gin is my local dry cleaner who came to the United States only 19 years ago, not even speaking English. He started his own cleaning business in a small shopping center. It is definitely a modest little shop and the owner, or his wife, is always there. They keep incredibly long hours. However, Gin is a shrewd business man. He totally understands that to become wealthy you need to have **multiple streams of income.**

In his case, he owns the shopping center. The rents more than make the monthly mortgage payment. So he has used the extra money to accelerate the pay-off and will soon own the entire place, free and clear.

Gin has also created several private label products, including one that cleans leather. He not only markets this product in his store but also through other stores. Furniture stores that sell leather furniture and a couple of stores that specialize in leather clothing and handbags carry his label.

As a final note, Gin has four independent contractors who go and pick up and deliver laundry and cleaning... for an extra charge, of course. He doesn’t make

much money on the pick-up and delivery but he has a much greater volume of cleaning.

Gin is very quiet about his activities. He was willing to share the story with me when I made a couple of suggestions on how to use auctions. He now buys abandoned clothing from many other cleaners. He pays the other stores the amount of the cleaning bill, then he sells his products through me and we split the profits equally. Our relationship has now developed so that I take a lot of the clothing on consignment. It costs us nothing but the insertion fee and we often make big profits.

Does Gin sometimes buy clothing that is not saleable? Sure, it happens. And what does he do with it? It is a tax write-off, of course. Here is one of our ads...

Breathtaking Black Evening Dress! Sz 6	$149.00

We sold the dress for $171.02. (Why in the world didn't the owner come back for a garment like this?)

17.7. Other Profitable Options

Let's look at some other situations where Net auctions do a sensational job in promoting and building a business...

• **Import/Export Business** -- The import and/or export business is wonderful for auctions. You are dealing with unique merchandise that is not widely distributed. Remember, people are willing to pay more for something that is exclusive.

If you have ties to suppliers in other countries, there is a wealth of merchandise that would make perfect niche products to sell. And there are all kinds of folks from other parts of the world looking for someone to represent their products outside their home countries. Of course, the import/export business has its own rules like everything else and it is necessary to know what you are doing before you rush into it.

You can receive **offline help** from...

American Association of Exporters and Importers, 11 West 42nd Street, New York, NY, 10036, 212-944-2230

American Import Shippers Association, 662 Main Street, New Rochelle, NY, 10801, 914-633-3770

National Association of Export Companies, PO Box 1330, Murray Hill Station, New York, NY, 10156, 718-596-5110

Small Business Exporter's Association, 1350 Beverly Road, Suite 617, McLean, VA, 221010, 703-761-4140

United States Chamber of Commerce, 202-463-5460

U S Trade Information Center, 800-872-8723, **http://www.ita.doc.gov/tic**

World Trade Centers Association, 1 World Trade Center, Suite 7701, New York, NY, 212-432-2626

And there are many **magazines** to help you find merchandise and contacts...

Business America, US Department of Commerce, 202-783-3238

The Business Advocate, The US Chamber of Commerce, 1615 H Street, NW, Washington DC, 20062, 800-293-6582

Export News, Canadian Exporters Association, 99 Bank Street, Suite 250, Ottawa, Ontario, K1P 6B9, 613-238-8888

The Export Practitioner, 1920 N Street, NW, Suite 750, Washington, DC 20036, 202-463-1060

Export Today, 733 15th Street, Suite 1100, Washington, DC, 20005, 202-737-1060

The Exporter, 6 West 37th Street, New York, NY, 10018, 212-563-2772

Exporter Magazine, PO Box 1330, Murray Hill Station, New York, NY, 10156, 718-596-5110
Global Trade Magazine, North America Publishing Company, 401 North Broad Street, Philadelphia, PA, 19108, 215-238-5300

Trade Channel, Forum Publishing Company, 382 East Main Street, Centerport, NY, 11721, 800-635-7654

Let's add a few books that are recommended by authorities in this field...

Building an Import/Export Business, 2nd Edition, Kenneth D. Weiss

Import/Export: How to Get Started in International Trade, Carl A. Nelson

Starting an Import/Export Business, Entrepreneur Magazine

How to Build an Export Business, Nelson T. Joyner
Import/Export Can Make You Rich, Laura Lanze

The No Money Down Import/Export Trade Formula, Jacob The

Start Your Own Import/Export Business, Joann Padgett

• **Business Expansion** -- Jana Lynne and Georgina run their own party-planning business. At first, their business was strictly local but as they added more and more choices for their customers, there were more and more products to sell. Some of them were suitable for mailing, and many were not.

So they created some "party planning modules" to sell on their Web site and at auctions. This offers the customer a design for an entire theme party and accounts for every detail. Of course, many of these products mentioned in their modules were available only from them. They also sell supplies at reduced prices. The two women use eBay's regional centers to promote their local services.

Jana Lynne and Georgina are demonstrating an important marketing strategy... provide **one-stop shopping** for the buyer. If a customer gets the plan from one place, it's simply easier to get all the supplies there, too.
The two women have supplies, such as tablecloths, cutlery, plates and cups, unusual food items, fireworks (in some states) balloons of every kind and variety. They can supply such things as moon walks, personnel such as clowns, jugglers, fortune tellers, comedy troupes, look-a-likes, dunk tanks, a petting zoo and the list goes on.

You might argue that if you are a party planner in Seattle, you can't supply personnel for one in Baltimore. But you are overlooking a huge profit center, if you don't. You can get on the phone and make contacts in Baltimore and collect a **referral fee** -- another potential profit stream. You could end up with contacts all over North America, creating income streams in every city.

For ever-greater profits, keep adding to your product and service list. Net auctions allow you to expand with very little risk involved.

SIDEBAR

It is so easy to create all kinds of profit streams with a little creativity and ingenuity. For example, suppose someone wants a murder mystery party. What could you offer?

There are costumes and fake weapons, such as daggers and knives. You could offer "Poisoner's Pie" and "Murderer's Roast Beef." All of the guests

could receive a copy of a Miss Marple book as a party favor -- and you supply the books, naturally!

And here's another "expanding" example...

Anne was fed up! Every time she walked into her closet she became depressed because of the clutter and mess. (I know exactly what she means!) Every morning when she got dressed for work, she couldn't find anything. Her clothes were a mess. A missing shoe was common.

One Saturday, she took action. She was at the home improvement store when it opened and bought everything on her long, long list. At home, she dragged everything out of her closet, into the guest room, and began "project closet renovation." When she finished, she was so thrilled she started on her husband's closet and then on to the two kids and from there to the linen closet and the pantry.

Anne's family had a tradition of a Christmas Open House. Her closets were finished shortly before this annual tradition. Her proud family bragged about their new space and every guest at the party had a closet tour. The result was four separate requests from friends wanting her help to fix their closets. Others mentioned her efforts to friends who told others, who... we all know how effective **word-of-mouth** is.

Less than one year later, Anne was a full-time closet consultant. She was making almost twice the amount of money that she had made in her office job, and having a wonderful time. Much of her success results from the fact that she spends a lot of time understanding exactly what the closet owner **wants**. This, of course, meant that her business had to be strictly local. Until now, that is. Anne developed an information product which teaches her principles and outlines focus questionnaires. (For more information about how to develop your own information product, please check out **http://myks.sitesell.com/**)

Where do you think she began selling this product? Right on the auctions, of course! She built a Web site so that she can continue to grow her business profile. She perfectly exemplifies how it is possible to start at the **local** level and through the auctions, expand your business and reach a much larger (and more global) audience.

Site Build It! builds Web sites **that work** -- sites that attract potential customers in your region or from around the world (depending upon your business.) To see **SBI!** sites in action, visit **http://results.sitesell.com/**

- **Move Store Inventory** -- Net auctions are a great way to move inventory "virtually." A retail furniture store has an auction listing that features only a bed...

But notice the night stand in the picture. This is an “extra” in their listing. eBay would have a fit about this because they wouldn’t receive a commission on this sale.

The seller also offers an incentive for buying this bed off the auction site. The price in the auction ad was $265. However, on their Web site, the identical bed was $379…

List Price:
$589.00
Sale
Price:
$379.00
This bed has maple posts with a black matte finish. Price listed is for a queen size bed complete with headboard, footboard, and frame. This price

• **eBay’s Regional Centers** -- Regional centers are more suitable for larger, expensive items which have more complex shipping requirements. Your buyer can have a hands-on look at what you are selling via an auction listing.

Bottom line for this chapter?

Develop your whole promotion plan to pull target customer traffic in both directions -- from auction listing to Web site and from Web site to auction listing.

Increase traffic and then increase profits by offering your visitors different solutions from your Web site. The key to a successful online business is making every visitor count. How?

By putting the customers' needs first, you will know what kind of information they are seeking -- what they need to meet their wish or reduce their pain. And then you can provide the appropriate solutions.

The next chapter will introduce some interesting and strong role models to follow...

18. Learn from the Pros

To build a successful Net auction business, you need to know what to do and what **not** to do.

And the best way to accomplish this, of course, is analyze what your fellow auctioneers have done well and what they have done poorly. We have already seen some examples of smart and foolish selling but now it's time to highlight specific details...

18.1. Smart Selling Tactics

Let's start on a positive note and look at the "right" tactics...

1) **Offer incredible value** -- If you offer your customer incredible **value,** you will attract large numbers of buyers. That's simply a no-brainer. For example, let's look at a listing which is offering digital cameras for $1...

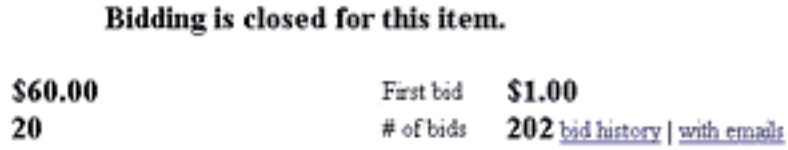
LAST OF STOCK - 20 NEW Digital Cameras @$1

Item #463083385

Photo & Electronics:Photo Equipment:Digital Cameras:General

urrently	$14.00	First bid	$1.00
uantity	20	# of bids	56 bid history | with emails
me left	4 days, 11 hours +	Location	Great!!!

Is the seller serious? Is he has studied his market and knows perfectly well that the price will rise as more and more people bid. In fact, let's look at two previous auctions that began in the same way...


Bidding is closed for this item.

$60.00	First bid	$1.00
20	# of bids	202 bid history | with emails

and...

$68.50	LAST OF STOCK - 20 NEW Digital Cameras @$1	214 Dutch bids(*)

In both of these auctions, he sold only 20 cameras at a time yet he had over 200 bids each time. The price went to $60 and $68.50. So why does he start the bidding at only $1? Simple. He wants to **entice** buyers.

Warning... Don't start items at some really low bid until you have done your homework. **Know the value of your item and its market.** You might face the awful situation of either losing a pile of money on your auction or getting thrown off your auction site. Talk about a losing proposition.

2) When you ship your merchandise, offer another product -- Be sure to include information on your other products. This way, the customer is paying to receive your advertising material. What can be sweeter than that? This is an incredibly powerful way to build a business. As an example, here is a section of an ad that I received in some merchandise that I bought…

The seller wanted me to join his wholesale buying club. So I paid for shipping and he won a chance to make more money from me. Put this strategy on your "do" list.

3) Always remember the back end -- All entrepreneurs need to understand the "back end" of every business. It is so much easier to sell to an already-existing customer than a new one unless your products are garbage, of course. Marketing gurus claim that **it costs at least ten times as much to get a new customer as it does to keep an existing one.**

Let's say that you are auctioning comic books. Contact every person who bids. Thank them for bidding. Build your e-mail list in this way. You aren't spamming at all. You are simply thanking them for bidding. When you send

this appreciative message, ask for permission to send them future notices of items as they become available. If they are interested, you will be creating a gold mine for yourself. And, as was discussed before, you can also keep in contact with your customers through developing **newsletters.**

Check out the listing below. Even though the auction has over three more days to run, the seller has more bids than he has supplies…

WHOLESALE!! (ONLY $1.00) POLO WATCHES!!! NEW!

Item #452572215

Jewelry, Gemstones Wristwatches General

Currently	**$5.00**	First bid	**$1.00**
Quantity	**100**	# of bids	**109** bid history | with emails

It's easy to get the e-mail addresses of every person who bid on his watches and let them know whenever he has similar items in the future. After all, these buyers have already expressed interest in his product. The key is to keep the back end of your business at the **front end** of your mind at all times.

4) Make your offer irresistible -- The TV show, "60 Minutes," did an interview with a marketing genius named Bob Stupek. This brilliant man bought a rather run-down hotel in Las Vegas away from the famous "Strip." The local business community snickered at the ignorance of this newcomer. He fooled them all.

He created the irresistible offer. He offered two nights lodging in a deluxe room with free, unlimited cocktails and champagne, free show tickets, with big name entertainers, **restaurant discounts and…**

… $1000 to "roll the dice." All this was included in the price of $396 per couple. In addition, there were always freebies throw in like vacations to Hawaii or cameras. How can he afford to do this? He counted on people gambling, and obviously they did because the offers continued.

So how can you make your offer irresistible? One way is by providing "excessive" value. That is, allow the customer to see that the value is considerably more substantial than the price.

Here is another example of a company that has mastered this principle. Their business model is worth careful study...

We will Custom Make a $4800.00 Tailored Suit package for the Winning Bidder!

Current Bid: $495.00
Minimum Bid: $500.00
(convert this currency)

Further, they offer an incredible value for the price. Here is the exact copy of the ad...

```
Custom suit + accessories: The winning bidder is entitled to
order any style and fabric. Our extensive online fabric and
style choices exceed 400 options! The winning bidder will
also receive with our complements. Two (2) custom tailored
100% Egyptian cotton dress shirts . (A US$120.00 per shirt
retail value*.) (* GQ quoted US$240.00 per shirt ref. 06/00
issue) and Two (2) 100% Pure Silk hand made ties. (A
US$55.00 per tie retail value.) and One (1) Designer Leather
Belt This auction item you are bidding on consists of the
following: One Custom Made suit, two hand made dress shirts,
two silk ties, one designer Leather belt and Free FedEx
Global Shipping! The total retail value of this auction:
US$4800.00
```

Even though they misspelled the word “complements,” it is still a very impressive marketing package. What other strategies have they done right?

i) Lead your customer to your Web site. Rather than saying something like “check out our Web site,” their listing says “Online references available.”

ii) Understand your customer’s **mindset.** My very first thought when I read this ad was that if I were a man (and potential customer) I would be worried about the fit. After all, unless I am there, how can I be sure it will be right? The company is aware of these concerns and answers their questions at their Web site. An apprehensive or confused customer doesn’t buy so provide the necessary confidence.

iii) Provide **testimonials** of happy customers raving about your products. Their testimonials include e-mail addresses for verification, just like SiteSell does for all its products. In this way, prospective customers know that the testimonials are genuine. See examples at **http://auctions.sitesell.com/**

Which of the following two testimonials is more believable to you? The first is from our tailors and a second is from a seller offering printer cartridges...

Q. Is it really possable to make a guality custom tailored suit using the online tailors measurement system?

A. *"I really need to say that you've done a great job. I was not expecting such quality, such speed in both tailoring and sending the suit. I really liked that mention "Specially tailored for Tarkan Bilgen" which made me feel more personalized."*
Mr. Tarkan Bilgen ,Chief Editor- Focus Bilgi email "nathan69@turk.net"

or…

What Others Say:

Jerry From North Carolina Said:

I am a professional photographer. I recently needed to print a large number of photos, and decided to give your ink cartridges a try. I was highly impressed. I could tell absolutely no difference in the quality of your cartridges and the quality of the $25.00 name-brand cartridges I had been using. I have bid on several more cartridges. You've earned my continued business.

(Although, the tailors really should proofread their site instead of making errors like "possible.")

5) Have a powerful guarantee -- **SiteSell.com** sets the standard. If you aren't happy for any reason **you can get your money back.** No questions asked. In an auction, a powerful guarantee will definitely boost sales. It removes any sense of risk. Will there be some who will take advantage? Yes, most likely there will be but most experienced marketers don't consider that a significant risk.

If you offer a personal guarantee, remember to broadcast it to the world. For example…

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Just a note to let you know that I have a brand new
online store featuring quality gifts from around the world
at discount prices. For the month of October I am offering a
20% rebate to all first time buyers. I accept Visa,
Mastercard and American Express through a secure server.

The holidays are fast approaching, so now is the time to
start your holiday shopping. All merchandise is guaranteed
or your money back. No questions asked.I have many more
items available (over 3000), so if you do not see what you
are looking for email me. Also, for $5.00, I have a huge
beautiful catalog available. The $5.00 is refundable with
your first order.

Please visit my site and register even if you do not wish to
purchase anything at this time. Click on this link to visit
my store: www.affordableglobalgifts.com

Thanks for reading my email.
```

6) Offer premiums -- Create desirable premiums, so your customer thinks… "I've just got to have this!"...

The item price is $7.77. Looks like a pretty good deal, doesn't it? A vacation and $1,000 worth of bonuses for $7.77?

7) Make it easy for your customers to buy -- Make it easy for your customers to find you and to buy from you…

Visit our web site for more great trading card deals. In a rush for an item? Call us at 1-800-232-3932 ext. 224.
Click here to see our auction listing. We have hundreds of items listed at all times.
jmilinovich
TradingCardWarehouse.com
1-800-232-3932
Buy with CONFIDENCE!

If you are interested in trading cards, it would be easy to find satisfaction. There is a direct link to the Web site **and** the 800 telephone number is given as another option.

8) Provide an incentive to buy more -- This seller offers an incentive to buy more…

9) Enlist your customers as part of your sales team -- This seller is selling cartridges and rewards his customers if they help him to sell his products...

Free Ink Cartridges! How?
Tell Friends and Co-Workers About Our Great Prices and Quality!
When a Friend Orders at Least TWO Cartridges and Mentions Your Name.
We Give You a FREE BLACK CARTRIDGE With Your Next Order!
At the Fifth Referral We Switch to FREE COLOR CARTRIDGES!
You Could Have SEVERAL FREE CARTRIDGES With Your Next Order!

10) Let your customer know exactly what she is getting -- There are a lot of CDs for sale on the auction sites. Many lack a clear explanation for customers to know exactly what they are about. In this case, the listing gives specific details...

Tri-ABC 123
Teaches young children the alphabet in three different languages. Choose from English, French, and Spanish.
Find The Match
This game was designed to develop memory skills for children ages 3 and up.
Busy Baby
Teaches the alphabet and numbers with verbal and visual stimulation using the parent's recorded voice!
Baby Mash
llows your child to safely play on your computer keyboard without endangering your data. Colors and sounds will play at random when keys are hit.
Kids Time Tutor

11) Recycle your bestsellers -- Constantly recycle your products. Think of new ways to sell products or combine or create new varieties of the same ideas.

This auctioneer sold both leather jackets and travel certificates. Here she is offering the jackets and including the certificates as “bonuses”…

AS AN EXTRA ADDED INCENTIVE BONUS, ALL WINNING BIDDERS WILL RECEIVE "10" - 4 DAY/3 NIGHT OR 3 DAY/2 NIGHT CERTIFICATES FOR "FREE" HOTEL ACCOMMODATIONS TO YOUR CHOICE OF 25 DIFFERENT DESTINATIONS!! USE THEM FOR YOURSELF OR GIVE THEM TO YOUR FRIENDS AND FAMILY AS GIFTS!! EACH CERTIFICATE IS VALUED AT OVER $300.00 IN FREE HOTEL ACCOMMODATIONS!!

12) Always try for the "upsell" -- An enterprising seller of amethyst earrings also suggests buying a pendant to go with them. Not only that, she makes it easy by providing a live link that will take the buyer directly to a matching pendant…

How About A Matching Oval Amethyst SS Pendant with Your Earrings? Click Here.

For some reason, this is rarely done in listings. Take advantage of it. Why settle for one sale when you can have two, or three, etc.?

13) Publish a newsletter -- A newsletter will build a customer list quickly. If all your letter is going to be is "Buy! Buy! Buy!" then skip the effort unless you have the most awesome deals in the world. But if you are specializing in something and want to offer information of value, then it's very worthwhile.

An regularly scheduled e-zine that offers customer-focused, quality content is the perfect communication tool for building trust and credibility -- I can't stress this enough!

14) Always advertise your other auctions -- There are many sellers who advertise their other auctions. The question is how do you want to do this?

Version #1 -- This is an example of how **not** to advertise. This seller lets buyers know that he has 36 other auctions. He has included a notification of this on his auction. When the buyer looks at his listings, he will see this...

Item	Start	End	Price	Title
435900441	Sep-11-00	Sep-18-00 19:55:00	$5.00	AMAZING!_CELLULAR_PHONE_SI
435904783	Sep-11-00	Sep-18-00 19:57:49	$26.00	300_CASINO_POKER_CHIPS_W/FR
435906826	Sep-11-00	Sep-18-00 19:59:20	$39.95	THE_BEST_CHESS_SET_YOU_WIL
433565575	Sep-09-00	Sep-19-00 15:32:44	$6.97	AMAZING_POCKET_BLACK_LIGH
433565921	Sep-09-00	Sep-19-00 15:33:07	$6.97	AMAZING_POCKET_BLACK_LIGH
433566204	Sep-09-00	Sep-19-00 15:33:24	$6.97	AMAZING_POCKET_BLACK_LIGH

Imagine yourself as the buyer and think about how this works. You first click on an item which takes you to a page that gives all the details and pictures for that item. You then click back to the list to see the next item. Are you likely to do this? You're right. It's not the most effective approach unless you have **very** targeted traffic who don't care about the inconvenience.

Version #2 -- Here is a much better way...

WEEKLY SPECIAL

Want to Find Your Favorite Jewelries? Click Below!!

Sapphire	Amethyst	CZ	Pendant
Ruby	Blue Topaz	Citrine	Marcasite
Emerald	Garnet	Peridot	Earrings
Tanzanite	Onyx	Silver	Other

This seller has dozens and dozens of items for sale. But instead of wading through all of them, she makes it easier to focus on a particular interest.

Version #3 -- This is my nomination for the most powerful way to display your merchandise...

$47.00
$29.00
$37.00
$17.00
$47.00
BY CLICKING ON THE PICTURE YOU DESIRED,YOU'LL GO TO ITS EBAY AUCTION...
FROM THE EBAY AUCTION USE YOUR "BACK BUTTON" TO RETURN HERE

15) Fix mistakes -- A listing can be a mixture of great marketing ideas and mistakes at the same time. Randy uses the auctions to promote an enormous amount of products from Instant Chai Tea Mix to Pumpkin Spice Flavored Coffee to Chocolate Dipped Biscotti. The entire list extends to six pages!...

Sep-25-00 06:56:21	$4.99	CUT RED HOT PEPPER 1 POUND DUTCH
Sep-25-00 06:56:52	$4.50	1 POUND BASIL LEAF Dutch

= 1 = [2] [3] [4] [5] [6] >>

Randy does several things right…

i) His Web site is pleasant and he includes information about all his products.

ii) His auction prices are lower than those on his Web site which encourages customers to buy from the auctions.

iii) He is shrewd about shipping, too. Shipping for one item or five items is $6 which encourages buying more, of course. Another plus? The prices for these kinds of items are very good.

iv) He will send a printed catalog through the mail -- an added bonus and more publicity for him.

Randy should fix the following...

i) He includes a section on his Web site called “Special Offers.” Clicking on that listing, however, leads to an empty page (at the time of writing this book). Either he should promote some specially priced items, or remove that section from his site entirely. An empty page is a big turn-off for a customer.

ii) The “Newsletter” listed on his site consists of several paragraphs about the owners and their store. It isn’t really a newsletter because it doesn’t change. There is nowhere to sign up for periodic updates about their products or information about items in the store. There are two features called “Coffee Facts” and “Perfect Cup” which are brief information pages on coffee and how

to brew a great cup. He needs to expand on this with more coffee trivia and tips.

iii) His request for distributors is a good idea but misspelling the word detracts from his credibility...

iv) He writes all his listings on a black background which makes them harder to read. Text on black background isn't effective. You want to **attract** not repel those surfing eyeballs of your visitors.

It's a good thing to "fix" things once you identify them. However, the best way to be successful is by avoiding mistakes in the first place as you will see next...

18.2. Skip These Mistakes

It isn't comfortable to single out sellers and point out their mistakes. But you need to know what **not** to do to maximize auction income. Sometimes, the most awful listings are swamped with bids -- just because the deal is so good.

Nevertheless, the more professional you are, the better you will play the game. Making careless and pointless errors isn't very productive.

1) There are three errors in one section -- This person was auctioning knives and had the following at the bottom of his listing...

Looks like a good idea, right? The problem was...

i) "View My Other Auctions"-- he had no other auctions (at this time) so that page went nowhere and this made him look foolish.

ii) "Visit My Homepage" -- this was what I found when I clicked that link...

HTTP Error 404

404 Not Found

iii) As for his e-mail address, I sent him two e-mails and he never responded to either. Always answer your e-mail!

2) Your visitor is only a click away from leaving -- My surfing started with this listing…

Home-made pet treats for your cat and dog.
These treats all-natural with no additives.
We offer many different flavors to chose from.

- Liver
- chicken
- BBQ
- catnip

just to name a few. The bag you receive is appox. 5-6 oz.
Stop by our website for more information and then come back to bid!!
There is no charg for shipping on the treats (on auction or on the web page).
Go to Country Treasures.net

There were no pictures of these treats so I decided to follow the link to "Country Treasures," as directed on the listing. The link led me to this page…

This was all the information on the page about pets. The rest of the page was about other items that were not related to pets in any way. It was also covered with the symbol for broken links for pictures. Further more, irritating "pop up windows" appeared frequently, windows that were ads soliciting my money for all kinds of stuff that I wasn't interested in -- opportunities that had nothing whatsoever to do with pets.

The next page brought me to...

Home-made treats for your pets
Do you have a pet who is your best freind?
Do you have a pet that is your protector?
Do you know of someone that their pet is their only companion?
Or is your pet a part of your family?
Did you answered yes to any of these questions?
If so don't you think these pets need something special that show them they are LOVED and CHERISHED?!!?!

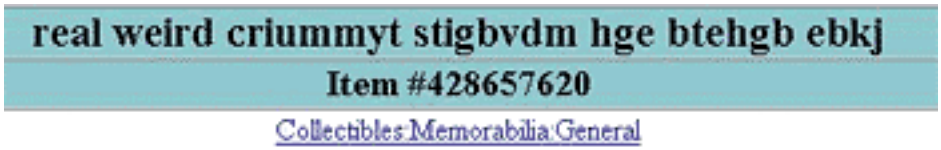
Notice the misspelled word. And still no pictures or details about the treats. However, I tried one more time. My next "click" took me to a totally blank screen. Not even an error message!

I know you won't be surprised to hear that I didn't buy any of her pet treats. Would the average buyer have followed all the way through to the fourth link? Not likely.

3) **Pictures often make the difference between a sale and no-sale** -- For some categories, pictures are an absolute "must." With this listing...

... the seller received no bids at all. Jewelry **demands** pictures. So before you list any items at all, think about whether pictures are a necessity. If they are, provide them.

4) **Always proofread your listing before submission** -- Here is the absolute worst listing I have ever seen. Can you translate it for me?…



What is this listing? Here is the entire ad...

I think the photo says it all!! some of these pins are quite rare.

And here is the "photo"…

This item, whatever it was, listed for $25. You guessed it. The bids didn't pile up in response to this listing.

18.3. Successful Sellers

OK. Earlier on we looked at great selling **tactics.** Now it's time to observe some role models -- really professional sellers who are making lots of money on auction sites. As I said before, I have found that the quickest way to improve my own auctions is to study what successful people are doing.

How do you find these folks? When you follow a certain category (or two) for a while, you will notice that certain names appear repeatedly. Lots of sellers jump in, try to sell a few items and are unsuccessful. Or they realize they aren't going to become millionaires in a month and move on. The ones who endure, however, are the ones who know what they are doing. These sellers are fantastic role models.

An important point... **there is always more to learn!** Even though I have been selling on the sites for a long, l-o-n-g time (Internet time, that is), I still observe other sellers constantly, note what they are doing and try to figure out how I can use their methods in my own auctions.

It is especially important to periodically look at other categories. You may have no personal interest in civil war weapons or DVDs but it could happen that a seller of those things has a **brilliant idea** that will make you a pile of money.

Winner #1...

Our first seller is Alan Probst. Alan, a professional ball player, was looking for something to do in the off season. Alan had some leftover bats from baseball stars, Jeff Bagwell and Craig Baggio, as well as some catcher's gloves. He decided to put them on eBay… and was hooked!

Now Alan has auction fever and sells about 10 wholesale products, many of which are stored in his garage. He plans to expand as soon as this year's baseball season is over.
Alan likes auctions so much that instead of an off season occupation, he now spends three hours before the game, and another three hours after, on the Net.

Alan states that success depends upon two factors...

i) Selling quality products

ii) Great customer service

He insists that your customers must feel safe buying from you. They must feel that you are fair.

He prides himself on getting his merchandise out quickly. He tries to schedule his auctions so that they end when he is at home rather than on a road trip. That way he can be there for his customers.

Alan keeps **meticulous** records. He is very careful about the merchandise his customers receive and he always delivers it promptly.

He refunds people's money if they ask for it. As an example, he sold some diamond earrings for $9.99 that retail for about $35 - $40. He has sold over 1,000 pairs, and has refunded only seven or eight customers.

Alan sells a lot of merchandise as fundraisers for churches and little league teams.

Winner #2...

Richard Duncan has a real "family affair" with eBay because his son and daughter also sell on the site.

Richard is a friendly retired auto worker who has sold items outside his full-time job for 40 years. Even while working in the auto plants, he sold items like jewelry, citizen's band radios and metal detectors. Given his love of selling, it isn't surprising that Richard, his wife, son and his brother opened a 3,300 square foot flea market in his town. They are open every day from 9-5 and from 12-5 on Sundays.

eBay is Richard's hobby. He sells mostly new merchandise. One of his biggest sellers teaches us a lot about the psychology of buying and selling. Richard offered some knives for $1.25, with 50 cents for shipping and handling...

To his dismay, he sold only a handful at this price. However, to get a bargain price, he had to buy 600 of these so he had a financial investment that he was determined to recoup. So he offered them for **one cent** with $1.75 shipping and handling ($1.25, if 20 or more) and has sold 40,000 of them!

Richard adds that your ads must be written for a particular audience. **Flag your target customer.** Although some women have bought his knives, you can easily see that it is directed primarily toward a male audience...

GO AHEAD AN GET SOME FOR ALL THE GUYS AT THE OFFICE OR THE SHOP, YOUR FATHER, BROTHER, COUSIN, UNCLE, OR ALL YOUR FRIENDS.
THESE KNIVES ARE NOT TOYS AND ARE NOT INTENDED FOR INDIVIDUALS UNDER THE AGE OF 18
Everybody knows that in order to get a good deal you've got to be in the right place at the right time and since your here you might as well take advantage of the SUPER PRICE on these Lockback Knives..THESE KNIVES MAKE EXCELLENT GIFTS, OR YOU COULD RESELL THEM AT THIS PRICE!
THESE KNIVES RETAIL FOR $8.95

His only unpleasant situation was when he was contacted by eBay. They complained that they were getting gypped out of their commission since he was only charging only one cent for his knives. He successfully argued that since he was paying to have his knives “featured,” they were making their money anyway.

There are zillions of items on eBay that sell for a penny. Richard told me that the auction site only takes notice if somebody complains to them. Most likely it was Richard’s competition who did so.

He also says that as soon as he creates a successful ad, somebody copies it -- a frequent comment from super sellers. Richard had a great ad for a clock that was copied by many others. My favorite response to imitation is to quote what Ray Kroc once said -- “We can invent faster than people can copy.”

Good selling runs in the family. Richard’s son is also a power seller. You can tell by his ad where he clearly outlines the benefits of his product...

GENUINE ROSEWOOD WRITING PENS
LIFETIME WARRANTY
QUALITY AT A BARGAIN PRICE!! $20.00 VALUE!!

This twist action pen has a special anti-retraction mechanism to prevent the point from retracting into the pen while you write. This will save you the hassel of interuption while writing. It is perfect for writing and makes a great gift for that special someone or even for yourself! These pens retail for more than 20.00, you are getting a great bargain. This STYLISH pen comes with a black ink ballpoint and uses Alex Navarre or Cross€ style refills. This pen comes with a velveteen pouch. LIFETIME WARRANTY. Shipping is 3.20 . *NOTE* buy 10 or more shipping is free!!!!!!!! WHAT!! BUY 10 OR MORE SHIPPING IS FREE!!!!

Winner #3

Sheri Lehn focuses mainly on software and jewelry. Sheri finds great deals on jewelry that she passes along to her customers. And she also sells handmade jewelry.

Sheri suggests that you make **policy changes as required.** In her case, she no longer accepts returns. Through experience, she learned that her initial return policy was not effective.

For example, Sheri advertised two silver tiffany bracelets as containing approximately 32 grams of silver. She received an e-mail from a customer who claimed that the total weight was only 30.7 grams and therefore she wanted her money back.

Another woman bought a crystal bracelet made with an elastic cord. She claimed that she couldn't get the bracelet around her wrist but this bracelet stretched to over 9"! We laughed as we tried to picture in our mind the wrist involved.

She claims that selling on the auction sites is easy. She started, like almost everyone else, by selling goodies out of her house. In all of her many transactions, she has only received two or three bad checks and they were for small amounts. Her secret to success is that sellers must know their merchandise and it really helps a lot if you like the auction business!

Business is slower in the summer but she still does very well. Amazingly, in spite of all her auction business, she still holds down a full-time job. Her husband works with her and gets her sold items in the mail. She spends long hours wrapping boxes and replying to numerous e-mails.

Winners #4

J. B. and Karen Young, **ShippingSupply.com**, make their money selling to other auction sellers. They sell shipping supplies and auction such items as bubble mailers, tissue paper, labels, foam peanuts, CD mailers, boxes, tape, etc.

In 1997, Karen began as an eBay seller of fine collectibles, glass, pottery, and old toys. J. B. was still working full-time and helping in the evenings with such chores as packing and taking photos of the items. They had grown to about 100 items a week when they realized they were spending a lot of their time and money looking for the packing supplies required to ship their items.

They were going through what every auction seller does… dumpster diving for boxes and begging at the back door of stores, card shops, or whoever might have packing materials . Or as an alternative, they suffered sticker shock when they went to the office supply store and paid retail.

They began their present auction business by buying huge master rolls of bubble wrap. By turning two card tables on their side and using the legs as spindles, they were able to re-roll the wrap to manageable, shippable sizes.

Karen took on a couple of retired folks to help part-time. J. B. continued to help part-time until they got so busy he had to take a leave of absence from his job. By the summer of 1998, both Karen and J. B. were both full-time and had increased their personnel.

All the expert marketers tell us to find a niche and market to that targeted group by filling a need. Karen and J.B. have filled a need very well. Their feedback comments from happy clients confirm this.

Winner #5

Another smart seller is Wendy Sechel. But it wasn't so long ago that she was really broke and desperate. She was between jobs and realized just how tough it was when she had to cross a bridge near her home. There was a toll of one dollar and Wendy didn't have it. She was reduced to scrounging on the floor of her car for those last two cents!

However, her financial difficulties were the source of what Wendy considers her greatest triumph. In desperation, Wendy took a favorite piece of jewelry to a pawn shop. The owner offered her $20. Refusing to accept that price, she decided to put it on eBay where it sold for $371! Wendy became an instant convert to the power of Internet auctions. She began a new career and has never looked back.

Wendy says that her first ads were very amateurish-looking -- all black text in one long paragraph. She didn't even know how to add pictures. Now, however, her ads are extremely professional-looking…

Wendy mainly sells jewelry, air fare certificates and diet products. She constantly has her eyes open for a bargain and is willing to sell any items that are profitable. When she is asked where she finds the products she sells, her reply is always the same -- networking. **Use and develop contacts.**

She is so successful that she receives tons of spam (big surprise). You know the type -- become-a-millionaire-in-two-weeks. Not to worry. She has a wonderful response. Wendy bundles her ads and sales receipts for two weeks and sends it back to the spammer, asking if he would like her help in the money-making department! Needless to say, **the spammer is…**

… left "spam"-less. Sorry, I couldn't resist.

When asked her secret to success she states flatly that **customer service** is her answer. Wendy gets approximately 150 e-mails a day, and she answers them as promptly as possible. She also leaves feedback for every single person she does business with and considering the number of deals she does, this is a major job.

As for problems, Wendy claims that she needs to be more **organized.** Apparently, this isn't her strong suit.

Wendy enjoys dealing with almost all her customers but there are the occasional difficult ones. Luckily, she has a sense of humor about those. One wacky guy bought a software product that needed to be downloaded. He and Wendy exchanged numerous e-mails. The customer claimed to be both a millionaire and a computer expert but was unable to complete a simple download, in spite of step-by-step directions.

He then claimed that Wendy had scammed him with a product that was defective --even though he knew that many other customers had successfully downloaded the product already. Wendy simply recognizes that there is a small minority of goofy folks in every business.

Wendy joyfully proclaims that she loves the auction business, and it is easy to hear this in her voice. But Wendy swears that in spite of all the money she is making now, she will never forget the lean times when life was tough. She told her mother years ago that if she ever "made it big," she wouldn't become a snob. She is determined that her son will also learn this lesson, even though she can now easily afford the $100 sneakers that used to be an undreamed-of luxury.

Take each idea that smart sellers have done right and apply it to whatever you want to sell. You will be amazed at and proud of what you create.

And that brings us to the final resource list -- where to sell your merchandise...

19. Where to Sell Your Goods

The auction business is so “hot” that there are auction sites all over the Net. If you want to find them for yourself, there are three methods…

1) The most obvious way is go to a few of the major Search Engines and type in “auction sites” and you will find listings that will keep you busy for hours, days and weeks.

2) Research pages like...
http://www.auctionsonthenet.com/
http://www.internetauctionlist.com/
http://2spirit.freeyellow.com/AuctionSites.html

The truth of the matter is that most of these auction sites are absolutely worthless, if your only objective is to make money. However, they can be wonderful for increasing your auction knowledge, doing comparison shopping and/or providing entertainment.

Many people are lured by the huge profits of eBay and other big sites and they believe, sadly, that all they have to do is set up an auction and wait for the millions to roll in. If you want to maximize your returns, you have to **choose** your sites carefully.

There are problems with the huge sites, including eBay. It has far and away the largest amount of merchandise and the most action. But as a veteran, I can state that undeniably it is tougher to sell on eBay than it used to be, simply because of eBay’s growing size.

Serious sellers are almost required to pay the extra money to feature their items. After all, when you go to list your item and discover there are 563 pages of the same merchandise, you **must** do something just to be noticed. eBay has its critics, too, who claim that it has gotten more arrogant and demanding. In fact, there are auction sites that are involved in the **VOTE** movement -- “list on **V**enues **O**ther **T**han **E**Bay.”

Sometimes, niche sites can offer wonderful opportunities, even though they don’t have monstrous traffic. Your dilemma is... eBay with a million visitors or a specialty site with only 5,000 targeted, passionate-about-your-area-of-expertise visitors?

The only way to answer this question satisfactorily is to **experiment** for yourself. There may be a niche site for you that is immensely profitable for you. Or there may not be. Only you can truly answer this question.

Building an **SBI!** Theme-Based Content Site is another solution as well. Its traffic-generating power makes it easy for you to capitalize on eBay's traffic and diversify your business.

For more details, see **http://auctions.sitesell.com/**

Having said all that, here are a few, carefully chosen sites that you might want to consider. Considering how fast the Internet changes, though, there may be a new site started today that will be perfect for you.

19.1. Evaluation Criteria

The best way to know where to sell your goods is to **evaluate** auction sites. To demonstrate the process, we will compare two different niche sites.

Open two screens on your computer. One can display **Platoon Daddy** at... **http://www.pltdaddy.com/**. On the other, look at **Just Glass** at... **http://www.justglass.com/**.

Use the following criteria to evaluate the two sites as a practice run. Continue to add to your criteria as you gain experience. You want to locate the **best** auction sites for your product or service.

1) Degree of professionalism -- Many auction sites are so amateurish that they are an immediate turn-off. This does **not** mean that unless the site owner has spent $10,000 creating a site we should ignore it. Sound business practices, however, do need to prevail.

2) Ease of use -- Net research has proved again and again that site owners have a few critical seconds to either entice a visitor to stay, or turn her off entirely. And causing confusion in potential customers is a great way to send them screaming away.

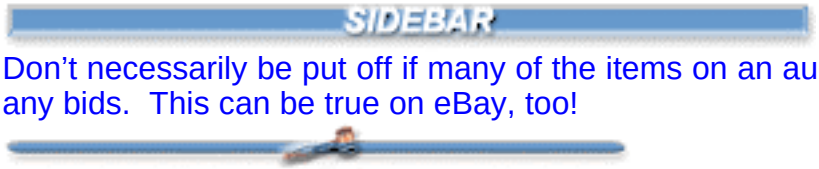
3) Targeted traffic -- Starting a general site and successfully competing with huge, well-financed, already established giants may be possible -- but it's unlikely. However, smaller niche sites (who specialize in a field that is too small for the giants to bother with) have a chance for success. Attracting targeted traffic is their only reason for being.

4) Site promotion -- One of the ways that eBay grew to be so gigantic, so quickly, is because it has spent a fortune advertising itself. Not only has it paid for advertisements but eBay has also created an affiliate program, developed

strategic alliances and has skillfully used press releases. In short, eBay has followed all the rules of sound Internet business practices.

If you are going to ally yourself with an auction site, you need to make sure that the owner is actively promoting the site in as many ways as possible. As a potential customer you have the right to ask. If their response isn't satisfactory, then carefully consider whether you should spend time with them.

5) Site owner interest and enthusiasm -- The last, and most subjective, criterion is whether the site seems lively and interesting. Do you have a feeling that the owners are excited about what they are doing? Keeping any auction site alive is intense work, and if the owner isn't interested in doing it, forget it and go elsewhere.



Don't necessarily be put off if many of the items on an auction site don't have any bids. This can be true on eBay, too!

19.2. Smaller General Sites

eBay's main competition is…

Yahoo! Auctions (http://auctions.yahoo.com/) and

Amazon (http://www.amazon.com/).

However, there are a handful of smaller, general sites that you may want to consider. They show promise of becoming larger and if you believe in healthy competition (as I do), they need our support.

Generally, I copy the same ads that I use on eBay or Yahoo so it takes only a few extra minutes to put these on the smaller sites. Here are a few sites to get you started...

1) My favorite small site is at **http://www.epier.com/** **ePier** has no listing fees, no end of auction percentages, and free image-storing. Some veteran sellers start their items on eBay and later list unsold items with ePier until the right buyer comes along. You save at least 50% in final value fee for most items when you sell at ePier.

2) Belgium and Holland Antiques Online (http://www.BelgiumAntiques.com/) is a site for Belgian and Dutch antique shops, dealers, wholesalers, exporters, auctioneers, fairs and flea markets. They also offer free classifieds and list dates of intriguing events.

3) ubid (http://www.ubid.com/) is a general purpose site but it's heavy on computers and electronics. It has an affiliate program and is growing quickly.

4) Buynsellit (http://www.buynsellit.com/) has no fees and it has the usual collection of general categories.

5) Eurobid (http://www.eurobid.com/) sells European goods with some fascinating items like food and wines from France, Spain, Italy and Germany. Prices are in British pounds and Eurodollars. Customers are able to read the site in their language of choice -- English, French, Spanish, Italian and German.

The lack of extensive competition in this industry means that eBay owns most of the auction traffic. If you want to **own your business** (rather than eBay owning it!), you need to own your traffic. **Site Build It!** will help you achieve independence **(http://auctions.sitesell.com/)**

19.3. Niche Sites

Niche sites may be the real cream of the crop, depending on what you are selling. And, as was said earlier, niche sites attract **targeted** visitors. Sounds like the perfect combo!

Here are a few possibilities that might "fit" with your passion...

1) Free Bid (http://www.freebid.de/) is a German site specializing in antiques and art, both European and German. The entire site is in German so I was at a disadvantage to understand it completely but it gets reasonably good traffic and it might be a good source for anyone interested in international sales.

2) Just Glass (http://www.justglass.com/) concentrates on (surprise!) just glass! They sell such items as Vaseline glass, Avon, Boyd Glass, Collector 40's, 50's, 60's Glass, Phoenix/Consolidated, Pyrex and Elegant Depression Glass. The site has a nice collection of features, such as access to an expert, online prices guide, a bookstore, no fees, dealer shops and an online magazine.

3) Biddington's (http://www.biddingtons.com/) is the site of upscale Biddington's Contemporary Art Gallery. This isn't a site like the other because while Biddington's definitely auctions its own property, it also acts as an intermediary for anyone wanting to sell. You aren't allowed to handle your transaction yourself.

Normally, we wouldn't include this site but it sells some really expensive art so it might be worthwhile for anyone interested and knowledgeable in this field. Biddington's charges 10% commission for its services and holds the money in escrow until the transaction is complete.

4) Nickleby's (http://www.nicklebys.com/) has been in business for 25 years and specializes in fine arts, antiques, collectibles. Until just recently, they did all the auctioning themselves. But they are now allowing individual members to conduct their own auctions. They act as an escrow agent, and they certify, authenticate and appraise merchandise which certainly increases buyer confidence. Obviously, this is a high-end site and doesn't auction $2 posters. Selling is temporarily free.

5) Penbid (http://www.penbid.com/) is a fascinating site that focuses exclusively on fountain pens, although it did have a few watches sprinkled in among its listings. This site is information-rich with such goodies as "The History of Wirt" and it lets us know that a Montblanc pen recently sold for $9900! There are some really high prices on pens on this site.

6) Playle (http://www.playle.com/) auctions postcards, ephemera and collectibles but mostly thousands of postcards. Playle's mainly features dealers, but also available to the rest of us. Their fees are like eBay's but re-listing is free.

7) Collect It Now (http://www.collectitnow.com/) concentrates on collecting. Their categories include such goodies as perfume bottles, antique toys, pottery and vintage electronics. Selling is free and they offer appraisals, chat rooms and a unique feature which allows customers to identify their silver with the site's "free silver identifier."

8) e-Wood (http://www.e-Wood.com/) caters to both companies and private individuals involved in the wood products industry. Everything e-Wood auctions falls into one of five categories -- building materials, logs and mill byproducts, specialty and hardwoods, equipment and miscellaneous. On a separate part of the site, they include sections for products customers want to buy, products to sell and a liquidation/surplus list.

9) If you are interested in vintage (translation -- old) clothes, then **VintageUSA (http://www.vintageusa.com/)** might be for you. This site offers a large selection of clothes and sneakers. Some are a fixed price but many are auctioned.

10) Popula (http://www.popula.com/) calls itself "the auction with soul" -- in other words, vintage, antique, bizarre.

11) Stock and Bond Auction (http://www.stockandbondauction.com/) claims it is the only interactive auction Web site that is devoted solely to the collecting of antique stocks and bonds and related paraphernalia.

12) Antique Tractors (http://www.antiquetractors.com/) also has classified ads, discussion groups, books, tractor manuals, parts and supplies and show guides.

13) A-Gun (http://www.a-gun.com/) sells all kinds of firearms, divided into four main categories... antique -- pre 1899, curios and relics until 1949, modern until present day and miscellaneous, which includes such items as gun parts and ammunition, knives and western memorabilia. They also have a classified section, a bookstore and "guns wanted."

14) Guns-USA (http://www.guns-usa.com/) is another gun auction for firearms dealers, collectors, and sportsmen. They have some items listed in "Non-regulated" categories which do not require shipment through licensed gun dealers. Firearms manufactured prior to 1898 are considered collectible antique firearms. They are not subject to federal gun control legislation except in regard to the age of the buyer and seller (18 years of age for rifles and shotguns, 21 years of age for handguns). This site is primarily for licensed gun dealers but non-licensed dealers may sell, too.

15) Pottery Auction (http://www.potteryauction.com/) has modest traffic but it has the potential to become larger.

16) Sports Auction (http://www.sportsauction.com/) sells sporting memorabilia. They have items in a multitude of sports like baseball, football, hockey, basketball, racing, tennis, golf, boxing and olympic sports.

17) Hemmings (http://auctions.hemmings.com/) sells all kinds of cars, motorcycles, parts, books, tools and supplies, accessories.

You have in your hands a list of solid sites -- **today.**

By breakfast tomorrow, one of them may have made a fatal mistake that will totally destroy their business. Or five new sites may have opened, one of which is perfect for you -- and no one has even heard of it yet.

So let this auction site list be only the **beginning,** not the end. Meander around the Internet. Check out sites and see what you find.

Hopefully, you now have a clearer idea of how to find auction sites and what to look for when you are evaluating them. When all is said and done, for the entrepreneur, **there is only one definition of a "perfect" site and that is ...**

... **one where you can make money.**

20. The Wrap Up

Congratulations! You're well on your way to becoming an auction master who can get whatever you want from your new auction business. There are decisions you need to make and skills to develop but you have in your possession all the tools you need to be a true auction champion.

Can you just plunge ahead and sell something? Sure you can. And lots of people do. If you can't sleep at night because you're so excited and you aren't going to wait, go ahead and sell something. You really can't make a mistake because you have nothing to lose and only **experience** to gain.

Just plan your business out carefully. The key is to build a solid foundation for your Net auction business.

1) Minimum and maximum success requirements...

Just how hard do you have to work at this business anyway? Well, it all depends on you. There are huge numbers of folks who view Net auctions as a **casual game.** Perhaps they like browsing antique stores and flea markets. When they see something they think will sell, they list it, just to see what happens. Maybe it will sell, and maybe it won't. But either way, it's no big deal -- it's just entertainment, after all.

Then there are the ambitious who view auctions as a **serious business.** Their goal is to make hundreds of thousands of dollars a year, perhaps hire employees and make Net auctions their full time business. These entrepreneurs keep meticulous, detailed records and are constantly studying the sites, looking for trends and searching for merchandise.

Nobody is right and nobody is wrong. It's just two different perspectives, with millions of people falling somewhere in the middle. Wherever you see yourself is fine. This is **your** business and it is your privilege to handle it in the way that is most comfortable for you.

2) Motivation...

Are you clear about exactly **why** you want to get into the Net auction business? If you are, you will have a much easier time. It is when our goals are muddled and our motivations are conflicting that we become frustrated and ineffective.

If you are interested in it strictly as a hobby, or you want to make a couple of hundred extra dollars then you will proceed differently from those who want to retire wealthy in a few short years. Or if you want to spend most of your time with your children, you will probably auction different items than someone who has employees and an office.

Whatever your motives are, take the time to figure them out early on -- always knowing that they may **change** as you become more deeply involved in auctions.

What's the easiest way to sum up everything? If you...

1) plan wisely

2) do the necessary groundwork

3) constantly watch listings, auction sites and other sellers...

... you can't help but do well in your Net auction business.

In fact, you can make it into the **business of your dreams** if you persist. And above all else, you can **HAVE FUN!**

Join Herb and me in one of the **greatest games** in the universe, the **Internet auction!...**

HERB
LOOK DEAR! THERE'S A WHOLE BUNCH OF FURNITURE JUST LIKE OURS ON eBAY!
Reprinted with permission of Joe Heller, eBay magazine

SUDDENLY HERB REALIZED HE WAS SPENDING WAY TOO MUCH TIME ON HIS COMPUTER.

Site Build It!

Site Build It! (SBI!) is the only all-in-one site-building, site-hosting, and site-marketing product that makes it easy for you to build a professional, popular, and profitable business online. It will help you take your Net auction business to the next level!

Thousands of small businesses of all kinds -- auction sellers (like you!), service-sellers, local businesses with local clients, affiliates, information-publishers , those with existing online businesses/e-commerce sites, network marketers -- have used **SBI!** to build a **Web site that works!** See the proof at… **http://results.sitesell.com/**

Sites built using **SBI!** consistently get a high level of traffic. Traffic is critical. Without traffic, there is no business -- you have just another unvisited and/or unshopped Web site floating around in cyber space. That's not the case with **Site Build It!.** 51% of **SBI!** sites fall within the top 6% most popular sites on the Internet as a recent Alexa.com survey shows…

http://buildit.sitesell.com/sbi-businesses/traffic-alexa.html

The **SBI!** process makes success so simple, so **attainable...** you build your site, we host it, traffic grows. No HTML, FTP, CGI, graphic or programming skills are needed. No Search Engine expertise is required. You get all the tools you need to build, market, and manage your site effectively, all in one place. **SBI!** is also compatible with the leading HTML Editors, if you prefer to build Web pages using your familiar and favorite editor.

Anyone, regardless of his or her Net experience or type of business, can use **SBI!** with **confidence and achieve results.**

There is nothing nearly as complete as **Site Build It!'s** total business-building approach. Motivation is the only additional ingredient required.

http://buildit.sitesell.com/compare/compare2.html

You just do your business and thrive, **in a tenth of the time, at a tenth of the price,** using a proven system.

SBI! meets all your needs. If you'd like to know how **SBI!** can help you, please call 1-888-987-3669 (+450-458-5613 outside of North America) or send an e-mail to **sales@sitesell.com.** An actual (and successful) **SBI!** user will provide real answers and personal advice (based upon first hand experience).

For more details about **Site Build It!** and how it fits with your auction business, please visit **http://auctions.sitesell.com/**